

MUNICIPAL FINANCIAL INFORMATION RETURN

For the Year Ending December 31, 2014

Municipality Name: Town of Rainbow Lake

CERTIFICATION

The information contained in this Financial Information Return is presented fairly to the best of my knowledge.



Signature of Duly Authorized Signing Officer

DAN FLETCHER

Print Name

20/05/2015

Date



KPMG LLP
Chartered Accountants
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INDEPENDENT AUDITORS' REPORT

To the Mayor and Members of Council of the Town of Rainbow Lake

We have audited the accompanying municipal financial information return of the Town of Rainbow Lake for the year ended December 31, 2014. The municipal financial information return has been prepared by management in accordance with the financial reporting provisions of Section 277 of the Alberta Municipal Government Act and the accounting principles described in the Municipal Financial Information Return Manual prepared by Alberta Municipal Affairs.

Management's Responsibility for the Municipal Financial Information Return

Management is responsible for the preparation of the municipal financial information return in accordance with the financial reporting provisions of Section 277 of the Alberta Municipal Government Act and the accounting principles described in the Municipal Financial Information Return Manual prepared by Alberta Municipal Affairs, and for such internal control as management determines is necessary to enable the preparation of the municipal financial information return that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the municipal financial information return 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 municipal financial information return is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the municipal financial information return. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the municipal financial information return, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the municipal financial information return 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 estimates made by management, as well as evaluating the overall presentation of the municipal financial information return.

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, the municipal financial information return for the Town of Rainbow Lake for the year ended December 31, 2014 is prepared, in all material respects, in accordance with the financial reporting provisions of Section 277 of the Alberta Municipal Government Act and the accounting principles described in the Municipal Financial Information Return Manual prepared by Alberta Municipal Affairs.

Basis of Accounting

Without modifying our opinion, we draw attention to the financial reporting provisions included in Section 277 of the Alberta Municipal Government Act and the accounting principles described in the Municipal Financial Information Return Manual prepared by Alberta Municipal Affairs, which describe the basis of accounting. The municipal financial information return for the Town of Rainbow Lake for the year ended December 31, 2014 has been prepared as requested by the Minister of Alberta Municipal Affairs and is to be used primarily for statistical purposes. As a result, the municipal financial information return may not be suitable for another purpose.

Restriction on Use

Our report is intended solely for the Town of Rainbow Lake and Alberta Municipal Affairs and should not be used by parties other than the Town of Rainbow Lake and Alberta Municipal Affairs.

KPMG LLP

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Accountants

April 20, 2015
Edmonton, Canada

FINANCIAL POSITION

Schedule 9A

	Total
	1
Assets	0010
Cash and Temporary Investments	0020 1,120,505
Taxes and Grants in Place of Taxes Receivable.....	0030
. Current	0040
. Arrears	0050
. Allowance	0060
Receivable From Other Governments	0070
Loans Receivable	0080
Trade and Other Receivables	0090 863,804
Debt Charges Recoverable.....	0095
Inventories Held for Resale	0130
. Land	0140
. Other	0150
Long Term Investments	0170
. Federal Government	0180 668,147
. Provincial Government	0190 971,407
. Local Governments	0200
. Other	0210 2,744,502
Other Current Assets	0230
Other Long Term Assets	0240
	0250
Total Financial Assets	0260 6,368,365
	0270
Liabilities	0270
Temporary Loans Payable	0280
Payable To Other Governments	0290
Accounts Payable & Accrued Liabilities	0300 643,487
Deposit Liabilities	0310 89,482
Deferred Revenue	0340 567,893
Long Term Debt	0350 2,200,516
Other Current Liabilities	0360 7,628
Other Long Term Liabilities	0370
	0380
Total Liabilities	0390 3,509,006
	0395
Net Financial Assets (Net Debt)	0395 2,859,359
	0400
Non Financial Assets	0400
Tangible Capital Assets.....	0400 27,859,098
Inventory for Consumption.....	0410 12,920
Prepaid Expenses	0420 199,956
Other.....	0430
	0440
Total Non-Financial Assets	0440 28,071,974
	0450
Accumulated Surplus	0450 30,931,333

CHANGE IN ACCUMULATED SURPLUS

Schedule 9B

	Unrestricted	Restricted	Equity in TCA	Total	
	1	2	3	4	
Accumulated Surplus - Beginning of Year	0500	2,229,026	2,356,136	25,428,872	30,014,034
Net Revenue (Expense)	0505	917,299			917,299
Funds Designated For Future Use.....	0511				
Restricted Funds - Used for Operations.....	0512				
Restricted Funds - Used for TCA.....	0513				
Current Year Funds Used for TCA	0514	-1,122,196		1,122,196	
Donated and Contributed TCA.....	0516				
Disposals of TCA.....	0517	193,375		-193,375	
Annual Amortization Expense.....	0518	951,267		-951,267	
Long Term Debt - Issued.....	0519				
Long Term Debt - Repaid.....	0521	-185,581		185,581	
Capital Debt - Used for TCA.....	0522				
	0523				
Other Adjustments.....	0524	-56,575	-10,000	66,575	
Accumulated Surplus - End of Year.....	0525	2,926,615	2,346,136	25,658,582	30,931,333

FINANCIAL ACTIVITIES BY FUNCTION

Schedule 9C

	Revenue 1	Expense 2
Total General	0700	
Function	0710	1150
General Government	0720	1160
Council and Other Legislative	0730	1170 66,345
General Administration	0740 89,803	1180 547,235
Other General Government.....	0750 2,394,271	1190
Protective Services	0760	1200
Police	0770	1210
Fire	0780 15,286	1220 50,069
Disaster and Emergency Measures	0790	1230
Ambulance and First Aid	0800	1240
Bylaws Enforcement	0810 197,269	1250 199,979
Other Protective Services.....	0820	1260
Transportation	0830	1270
Common and Equipment Pool	0840 83,349	1280 230,736
Roads, Streets, Walks, Lighting	0850	1290 474,628
Airport	0860 159,734	1300 354,841
Public Transit	0870	1310
Storm Sewers and Drainage	0880	1320
Other Transportation	0890	1330
Environmental Use and Protection	0900	1340
Water Supply and Distribution	0910 929,309	1350 1,047,668
Wastewater Treatment and Disposal	0920 278,211	1360 100,760
Waste Management	0930 127,590	1370 106,778
Other Environmental Use and Protection	0940	1380
Public Health and Welfare	0950	1390
Family and Community Support	0960 58,097	1400 96,355
Day Care	0970	1410
Cemeteries and Crematoriums	0980	1420
Other Public Health and Welfare	0990	1430
Planning and Development	1000	1440
Land Use Planning, Zoning and Development	1010 54,458	1450 64,862
Economic/Agricultural Development	1020	1460 83,761
Subdivision Land and Development	1030	1470
Public Housing Operations	1040	1480
Land, Housing and Building Rentals	1050 70,724	1490 166,392
Other Planning and Development.....	1060	1500
Recreation and Culture	1070	1510
Recreation Boards	1080	1520
Parks and Recreation	1090 566,865	1530 614,233
Culture: Libraries, Museums, Halls	1100 30,825	1540 16,445
Convention Centres	1110	1550
Other Recreation and Culture.....	1120	1560
Other Utilities	1125	1565
Gas	1126 973,245	1566 875,715
Electric	1127	1567
Other	1130 143,597	1570 158,532
Total Revenue/Expense	1140 6,172,633	1580 5,255,334
Net Revenue/Expense		1590 917,299

FINANCIAL ACTIVITIES BY TYPE / OBJECT

Schedule 9D

	Total	
	1	
Revenues	1700	
Taxation and Grants in Place	1710	
Property (Net Municipal)	1720	1,310,429
Business	1730	
Business Revitalization Zone	1740	
Special	1750	
Well Drilling	1760	
Local Improvement	1770	
Sales To Other Governments	1790	
Sales and User Charges	1800	2,584,190
Penalties and Costs on Taxes	1810	53,465
Licenses and Permits	1820	17,669
Fines	1830	
Franchise and Concession Contracts	1840	103,272
Returns on Investments	1850	110,666
Rentals	1860	145,197
Insurance Proceeds	1870	
Net Gain on Sale of Tangible Capital Assets	1880	35,803
Contributed and Donated Assets	1885	
Federal Government Unconditional Transfers	1890	
Federal Government Conditional Transfers	1900	3,257
Provincial Government Unconditional Transfers	1910	282,943
Provincial Government Conditional Transfers	1920	668,714
Local Government Transfers	1930	785,624
Transfers From Local Boards and Agencies	1940	
Developer Agreements and Levies	1960	
Other Revenues	1970	71,404
Total Revenue	1980	6,172,633
Expenses	1990	
Salaries, Wages, and Benefits	2000	1,174,499
Contracted and General Services	2010	1,545,500
Purchases from Other Governments	2020	
Materials, Goods, Supplies, and Utilities	2030	1,433,724
Provision For Allowances	2040	
Transfers to Other Governments	2050	
Transfers to Local Boards and Agencies	2060	17,500
Transfers to Individuals and Organizations	2070	
Bank Charges and Short Term Interest	2080	25,151
Interest on Operating Long Term Debt	2090	
Interest on Capital Long Term Debt	2100	107,693
Amortization of Tangible Capital Assets	2110	951,267
Net Loss on Sale of Tangible Capital Assets	2125	
Write Down of Tangible Capital Assets	2127	
Other Expenditures	2130	
Total Expenses	2140	5,255,334
Net Revenue (Expense)	2150	917,299

REVENUE AND EXPENSE SUPPLEMENTARY DETAIL

Schedule 9E

		Revenue		Expenses	
		Sales and User Charges	Provincial Capital Transfers	Annual Amortization Expense	Capital Long Term Debt Interest Expense
		1	2	3	4
General Government	2200				
Council and Other Legislative	2210				
General Administration	2220	1,095		41,459	
Other General Government.....	2230				
Protective Services	2240				
Police	2250				
Fire	2260	3,500		20,540	
Disaster and Emergency Measures	2270				
Ambulance and First Aid	2280				
Bylaws Enforcement	2290	183,551		9,745	
Other Protective Services.....	2300				
Transportation	2310				
Common and Equipment Pool	2320	80		46,862	
Roads, Streets, Walks, Lighting	2330			80,675	
Airport	2340	75,221		76,639	
Public Transit	2350				
Storm Sewers and Drainage	2360				
Other Transportation	2370				
Environmental Use and Protection	2380				
Water Supply and Distribution	2390	787,836		451,824	86,139
Wastewater Treatment and Disposal	2400	278,211		34,574	
Waste Management	2410	127,590			
Other Environmental Use and Protection	2420				
Public Health and Welfare	2430				
Family and Community Support	2440	16,473			
Day Care	2450			14,086	
Cemeteries and Crematoriums	2460				
Other Public Health and Welfare	2470				
Planning and Development	2480				
Land Use Planning, Zoning and Development	2490				
Economic/Agricultural Development	2500				
Subdivision Land and Development	2510				
Public Housing Operations	2520				
Land, Housing and Building Rentals	2530		67,434	17,501	
Other Planning and Development.....	2540				
Recreation and Culture	2550				
Recreation Boards	2560				
Parks and Recreation	2570	3,620	519,838	128,019	21,554
Culture: Libraries, Museums, Halls	2580				
Convention Centres	2590				
Other Recreation and Culture.....	2600				
Other Utilities	2605				
Gas	2606	964,897		22,642	
Electric	2607	142,116		6,701	
Other	2610				
Total	2620	2,584,190	587,272	951,267	107,693

TANGIBLE CAPITAL ASSETS SUPPLEMENTARY DETAIL

Schedule 9F

		Tangible Capital Assets		Capital Long Term Debt	
		Purchased	Donated or Contributed	Principal Additions	Principal Reductions
		1	2	3	4
General Government	2700				
Council and Other Legislative	2710				
General Administration	2720	191,747			
Other General Government.....	2730				
Protective Services	2740				
Police	2750				
Fire	2760				
Disaster and Emergency Measures	2770				
Ambulance and First Aid	2780				
Bylaws Enforcement	2790	54,770			
Other Protective Services.....	2800				
Transportation	2810				
Common and Equipment Pool	2820	39,149			
Roads, Streets, Walks, Lighting	2830				
Airport	2840	80,732			
Public Transit	2850				
Storm Sewers and Drainage	2860				
Other Transportation	2870				
Environmental Use and Protection	2880				
Water Supply and Distribution	2890	169,199			104,872
Wastewater Treatment and Disposal	2900				9,042
Waste Management	2910				
Other Environmental Use and Protection	2920				
Public Health and Welfare	2930				
Family and Community Support	2940				
Day Care	2950				
Cemeteries and Crematoriums	2960				
Other Public Health and Welfare	2970				
Planning and Development	2980				
Land Use Planning, Zoning and Development	2990				
Economic/Agricultural Development	3000				
Subdivision Land and Development	3010				
Public Housing Operations	3020				
Land, Housing and Building Rentals	3030	67,434			
Other Planning and Development.....	3040				
Recreation and Culture	3050				
Recreation Boards	3060				
Parks and Recreation	3070	519,165			71,667
Culture: Libraries, Museums, Halls	3080				
Convention Centres	3090				
Other Recreation and Culture.....	3100				
Other Utilities	3105				
Gas	3106				
Electric	3107				
Other	3110				
Total	3120	1,122,196			185,581

CHANGE IN TANGIBLE CAPITAL ASSETS

Schedule 9G

	Balance at Beginning of Year 1	Additions 2	Reductions 3	Balance at End of Year 4
Tangible Capital Assets - Cost				
Engineered Structures	3200			
Roadway Systems.....	3201	1,216,436	104,802	1,321,238
Light Rail Transit Systems.....	3202			
Water Systems.....	3203	22,355,253		22,355,253
Wastewater Systems.....	3204	2,374,479		2,374,479
Storm Systems.....	3205			
Fibre Optics.....	3206			
Electricity Systems.....	3207	196,192		196,192
Gas Distribution Systems.....	3208	673,464		673,464
Total Engineered Structures	3210	26,815,824	104,802	26,920,626
Construction In Progress.....	3219	92,437	-92,437	
Buildings	3220	9,977,249	786,609	10,763,858
Machinery and Equipment	3230	1,734,386	90,198	1,782,584
Land	3240	510,917	178,254	689,171
Land Improvements.....	3245	1,088,465		1,088,465
Vehicles	3250	1,196,576	54,770	1,129,895
Total Capital Property Cost	3260	41,415,854	1,122,196	42,374,599
Accumulated Amortization				
Engineered Structures	3270			
Roadway Systems	3271	829,773	80,675	910,448
Light Rail Transit Systems	3272			
Water Systems	3273	5,748,134	448,271	6,196,405
Wastewater Systems	3274	612,879	34,575	647,454
Storm Systems	3275			
Fibre Optics	3276			
Electricity Systems	3277	105,665	5,347	111,012
Gas Distribution Systems	3278	440,661	18,707	459,368
Engineered Structures	3280	7,737,112	587,575	8,324,687
Buildings	3290	3,355,890	218,304	3,574,194
Machinery and Equipment	3300	995,065	76,859	1,035,803
Land	3310			
Land Improvements.....	3315	855,375	28,858	884,233
Vehicles	3320	778,364	39,671	696,584
Total Accumulated Amortization	3330	13,721,806	951,267	14,515,501
Net Book Value of Capital Property	3340	27,694,048		27,859,098
Capital Long Term Debt (Net)	3350	2,386,097		2,200,516
Equity in Tangible Capital Assets	3400	25,307,951		25,658,582

LONG TERM DEBT SUPPORT

Schedule 9H

	Operating Purposes	Capital Purposes	Total
	1	2	3
Long Term Debt Support	3405		
Supported by General Tax Levies	3410	412,244	412,244
Supported by Special Levies	3420		
Supported by Utility Rates	3430	1,788,272	1,788,272
Other	3440		
Total Long Term Debt Principal Balance	3450	2,200,516	2,200,516

LONG TERM DEBT SOURCES

Schedule 9I

	Operating Purposes	Capital Purposes	Total
	1	2	3
Alberta Capital Finance Authority	3500	2,200,516	2,200,516
Canada Mortgage and Housing Corporation	3520		
Mortgage Borrowing	3600		
Other	3610		
Total Long Term Debt Principal Balance	3620	2,200,516	2,200,516

FUTURE LONG TERM DEBT REPAYMENTS

Schedule 9J

	Operating Purposes	Capital Purposes	Total
	1	2	3
Principal Repayments by Year	3700		
Current + 1	3710	194,311	194,311
Current + 2	3720	203,451	203,451
Current + 3	3730	213,022	213,022
Current + 4	3740	223,043	223,043
Current + 5	3750	233,535	233,535
Thereafter	3760	1,133,154	1,133,154
Total Principal	3770	2,200,516	2,200,516
Interest by Year	3780		
Current + 1	3790	100,128	100,128
Current + 2	3800	90,988	90,988
Current + 3	3810	81,417	81,417
Current + 4	3820	71,396	71,396
Current + 5	3830	60,904	60,904
Thereafter	3840	197,561	197,561
Total Interest	3850	602,394	602,394

PROPERTY TAXES AND GRANTS IN PLACE

Schedule 9K

		Property	Grants -	Total
		Taxes	in Place	
		1	2	3
Property Taxes	3900			
Residential Land and Improvements	3910	972,278	11,534	983,812
Non-Residential	3920			
Land and Improvements (Excluding M & E).....	3935	565,250	10,811	576,061
Machinery and Equipment	3950			
Linear Property	3960	23,762		23,762
Railway	3970			
Farm Land	3980			
Adjustments to Property Taxes	3990			
Total Property Taxes and Grants In Place	4000	1,561,290	22,345	1,583,635
Requisition Transfers			4010	
Education				
Residential/Farm Land			4031	148,068
Non-Residential			4035	106,878
Seniors Lodges			4090	18,260
Other			4100	
Adjustments to Requisition Transfers			4110	
Total Requisition Transfers			4120	273,206
Net Municipal Property Taxes and Grants In Place			4130	1,310,429

GRANTS IN PLACE OF TAXES

Schedule 9L

		Property	Business	Other	Total
		Taxes	Taxes	Taxes	
		1	2	3	4
Federal Government	4200				
Provincial Government	4210	22,345			22,345
Local Government	4220				
Other	4230				
Total	4240	22,345			22,345

DEBT LIMIT

Schedule 9AA

		1
Debt Limit	5700	8,255,879
Total Debt	5710	2,200,516
Debt Service Limit	5720	1,375,980
Total Debt Service Costs	5730	294,439

Enter Prior year's Line 3450 Column 2 balance here:

2,386,097