

**FINANCIAL
REPORT
2004**

CITY OF STEINBACH

INDEX TO FINANCIAL STATEMENTS

Steinbach (City)
(Municipality)

AUDITOR'S REPORT

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

AUDITOR'S REPORT

To the Mayor and Councillors
City of Steinbach
Steinbach, Manitoba

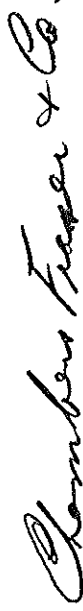
We have audited the balance sheets of the City of Steinbach as at December 31, 2004 and the statements of revenue and expenditure, changes in surplus, and source and application of capital funds for the year then ended. These financial statements are the responsibility of the municipality's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the municipality as at December 31, 2004 and the results of its operations and the changes in its cash flows for the year then ended in accordance with Canadian accounting principles generally accepted for municipal corporations in Manitoba, applied on a basis consistent with that of the preceding year.

We have also issued a supplementary report as required under Subsection 190(2) of The Municipal Act.

Winnipeg, Manitoba
February 18, 2005



Chambers, Fraser & Co.
Municipal Auditors

GENERAL OPERATING FUND BALANCE SHEET
AS AT DECEMBER 31, 2004

STATEMENT 1

ASSETS

CASH		
Cash on Hand	2,650	
Cash on Deposit	2,902,222	
Deposit Receipts		2,904,872
RECEIVABLES		
Tax Assets - Schedule 1	347,186	
Government Grants - Schedule 3	47,605	
Own Funds and Agencies		
Utility Operating Fund		
Utility Capital Fund		
General Capital Fund		
Reserves		
Trusts		0
Operating Accounts Receivable		
Organizations and Individuals	297,506	
Federal Government	125,759	
Federal Government Enterprises	6,259	
Provincial Government	6,152	
Provincial Government Enterprises		
Other Local Governments	57,784	493,460
Other Receivables		888,251
Sub Total		
Less: Allowances for Doubtful Accounts	741	741
Other Allowances		887,510
INVESTMENT - SCHEDULE 6		
INVENTORIES		
PREPAID EXPENSES		
TOTAL ASSETS		3,792,382

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS		
Chartered Banks		
Other Financial Institutions		
Own Funds		
Other		0
PAYABLES		
School Levies - Schedule 4		
Own Funds and Agencies		
Utility Operating Fund	61,110	
Reserves	1,783,757	
Trusts		
Other - General Capital	34,577	1,879,444
Operating Accounts Payable		
Organizations and Individuals	229,556	
Federal Government	204,001	
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments	10,000	443,557
Debenture Instalments		2,323,001
OTHER LIABILITIES		
Deposits - Other	23,492	
Debenture Levies in Advance		
Prepaid Taxes		
Deferred Revenue	55,816	79,308
TOTAL CURRENT LIABILITIES		2,402,309
ALLOWANCE FOR TAX ASSETS - STATEMENT 8		109,928
NOMINAL SURPLUS - STATEMENT 8		1,280,145
TOTAL LIABILITIES AND SURPLUS		3,792,382

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

STATEMENT 2

GENERAL RESERVE FUND BALANCE SHEET
AS AT DECEMBER 31, 2004

RESERVE NAME	CASH ASSETS	INVESTMENTS (SCHEDULE 6)	DUE FROM (TO) OTHER FUNDS	OTHER ASSETS	TOTAL (SCHEDULE 5)
General	301,183	391,396			692,579
Replacement Centennial and Facility	269,919				269,919
Capital Development	456,812		94,650		551,462
Environmental	1,069,530		531,293		1,600,823
Aquatic Centre	482,459	200,000	1,157,814		1,840,273
Perpetual Care	13,300				13,300
Committed Expenditures	93,617				93,617
Land Dedication	272,983				272,983
	9,000				9,000
TOTAL	2,968,803	591,396	1,763,757	0	5,343,956

STATEMENT 3

GENERAL CAPITAL FUND BALANCE SHEET
AS AT DECEMBER 31, 2004

ASSETS

CASH ON HAND AND ON DEPOSIT - STATEMENT 13

RECEIVABLES - STATEMENT 13
Government Grants - Schedule 3
Own Funds and Agencies - General Operating
Other Accounts

Organizations and Individuals
Federal Government
Federal Government Enterprises
Provincial Government
Provincial Government Enterprises
Other Local Governments

CONSTRUCTION IN PROGRESS

FIXED ASSETS

Buildings
Machinery and Equipment
Land
Other

DEBT CHARGES RECOVERABLE (CAPITAL ASSETS)

Debtenture Levies \$1,745,789 - \$34,577 Note 3
Deferred Liability Levies

OTHER ASSETS

TOTAL ASSETS

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS

Chartered Banks
Other Financial Institutions
Own Funds
Other

PAYABLES

Organizations and Individuals
Federal Government
Federal Government Enterprises
Provincial Government
Provincial Government Enterprises

OTHER LIABILITIES

LONG-TERM DEBT

Debtentures - Schedule 8
Deferred Liabilities - Note

CAPITAL SURPLUS - STATEMENT 8

TOTAL LIABILITIES AND SURPLUS

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

STATEMENT 4

UTILITY OPERATING FUND BALANCE SHEET
AS AT DECEMBER 31, 2004

ASSETS

CASH		
Cash on Hand		
Cash on Deposit		
Deposit Receipts		0
RECEIVABLES		
Government Grants - Schedule 3		
Own Funds and Agencies		
General Operating Fund	61,110	
General Capital Fund		
Utility Capital Fund		
Reserves		
Trusts		61,110
Operating Accounts Receivable		
Organizations and Individuals		
Federal Government	49,737	
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Other Receivables		49,737
Sub Total		110,847
Less: Allowance for Doubtful Accounts		
INVESTMENTS - SCHEDULE 6		
INVENTORIES		
PREPAID EXPENSES		
TOTAL ASSETS		110,847

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS		
Chartered Banks		
Other Financial Institutions		
Own Funds		
Other		0
PAYABLES		
Own Funds and Agencies		
General Operating Fund		
Reserves		
Trusts		
Other Utility Capital	49,983	49,983
Operating Accounts Payable		
Organizations and Individuals		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Debtenture Instalments		49,983
OTHER LIABILITIES		
Debtenture Levies in Advance		
Prepaid Consumer Accounts		
Meter Deposits		
Other		0
TOTAL CURRENT LIABILITIES		49,983
NOMINAL SURPLUS - STATEMENT 8		60,864
TOTAL LIABILITIES AND SURPLUS		110,847

STATEMENT 5

UTILITY RESERVE FUND BALANCE SHEET
AS AT DECEMBER 31, 2004

RESERVE NAME	CASH ASSETS	INVESTMENTS (SCHEDULE 6)	DUE FROM (TO) OTHER FUNDS	OTHER ASSETS	TOTAL (SCHEDULE 5)
Replacement	794,214				794,214
TOTAL	794,214	0	0	0	794,214

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

STATEMENT 6

UTILITY CAPITAL FUND BALANCE SHEET
AS AT DECEMBER 31, 2004

ASSETS

CASH ON HAND AND ON DEPOSIT - STATEMENT 14
RECEIVABLES - STATEMENT 14

Government Grants - Schedule 3	
Own Funds and Agencies - Utility Operating	
Other Accounts	49,983
Organizations and Individuals	
Federal Government	
Federal Government Enterprises	
Provincial Government	
Provincial Government Enterprises	
Other Local Governments	0
	49,983

CONSTRUCTION IN PROGRESS

FIXED ASSETS

Buildings	12,441,904
Machinery and Equipment	555,603
Land	260,257
Other	13,257,764

DEBT CHARGES RECOVERABLE (CAPITAL ASSETS)

Debtenture Levies \$981,118 - \$49,983 Note 3	931,135
Deferred Liability Levies	931,135

OTHER ASSETS

	14,238,882

TOTAL ASSETS

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS

Chartered Banks	
Other Financial Institutions	
Own Funds	0
Other	

PAYABLES

Organizations and Individuals	
Federal Government	
Federal Government Enterprises	
Provincial Government	
Provincial Government Enterprises	0
Other Local Governments	

OTHER LIABILITIES

	981,118

LONG-TERM DEBT

Debentures - Schedule 8	981,118
Deferred Liabilities - Note	

CAPITAL SURPLUS - STATEMENT 8

	13,257,764
	14,238,882

TOTAL LIABILITIES AND SURPLUS

STATEMENT 7

TRUST FUND BALANCE SHEET
AS AT DECEMBER 31, 2004

ASSETS

TRUST NAME	CASH	INVESTMENTS (SCHEDULE 6)	OTHER FUNDS	OTHER	TOTAL
Cemetery					
Pension Funds					
Option Deposits					
Other					
TOTAL	0	0	0	0	0

LIABILITIES

	PAYABLES	OTHER FUNDS	OTHER	TRUST	TOTAL
Cemetery					
Pension Funds					
Option Deposits					
Other					
TOTAL	0	0	0	0	0

STATEMENT 10

**GENERAL OPERATING FUND
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2004**

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
General Government Services				
Legislative	143,418	138,358	5,060	
General Administrative	1,172,227	1,143,543	28,684	
Other General Government	587,677	568,794	18,883	
Total	1,903,322	1,850,695	52,627	
Protective Services				
Police Protection	861,842	813,845	47,997	
Law Enforcement				
Fire Protection	315,564	321,146	5,582	
Emergency Measures	6,550	9,208	2,658	
Other Protection	211,424	210,863	561	
Total	1,395,380	1,355,062	40,318	
Transportation Services				
Road Transport				
Administration				
Engineering	167,737	162,209	5,528	
Roads and Streets	676,301	742,649		66,348
Bridges, Subways				
Street Lighting	214,820	212,918	1,902	
Traffic Services	12,500	19,228		6,728
Parking	5,050	1,281	3,769	
Other Road Transport - Handicapped	45,013	51,216	6,203	
Air Transport	23,128	27,434	4,306	
Water Transport				
Public Transit				
Total	1,144,549	1,216,935		72,386
Environmental Health Services				
Garbage and Waste Collection and Disposal	589,408	693,044		103,636
Other Environmental Health				
Total	589,408	693,044		103,636
Public Health & Welfare Services				
Public Health	54,946	60,529		5,583
Medical Care				
Hospital Care				
Social Welfare	14,785	15,267	482	
Total	69,731	75,796		6,065
Environmental Planning & Community Development Services				
Environmental Planning and Zoning	43,900	26,820	17,080	
Community Development	58,234	77,336		19,102
Housing				
Total	102,134	104,156		2,022
Economic Development Services				
Natural Resources	13,000	13,016		16
Regional Development Commissions	600	400	200	
Industrial Parks and Commissions				
Other Economic Services				
Total	13,600	13,416	184	
Recreation and Cultural Services				
Recreation Facilities	1,439,489	1,565,253		125,764
Cultural Buildings and Facilities	131,212	132,583		1,371
Other Recreation and Cultural Services				
Education Grants				
Total	1,570,701	1,697,836		127,135
SUB-TOTALS FORWARD				
	6,788,825	7,006,940		218,115

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

STATEMENT 10

**GENERAL OPERATING FUND
COMPARISON OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2004**

SUB-TOTALS FORWARD	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
	6,788,825	7,006,940		218,115
Fiscal Services				
Transfers to Other Governments				
Other Municipal Governments				
Transfers to Own Funds				
Allowance for Tax Assets - Statement 8	40,797	40,797		
Capital Fund - Statement 13	1,470,900	1,462,121	8,779	
Utility Fund - Statement 11	93,925	93,925		
Other Funds				
Phase-in Tax Credit				
Public Debt Charges				
Debtenture Debt Charges - Schedule 7	488,966	488,966		
Other Long-Term Debt Charges				
Interest on Short-Term Financing				
Bank Loan Interest	10,000	4,407	5,593	
Other Fund Loan Interest	20,000	28,901		8,901
Tax Discounts - Schedule 1				
Other Debt Charges				
Debtenture Discount				
Debtenture Issue Costs				
Other				
Other Fiscal Services	22,760	742	22,018	
Total	2,147,348	2,119,859	27,489	
Transfer to Reserves				
General Reserve				
Specific Reserve				
- Replacement Reserve				
- Capital Development	443,447	332,383	111,064	
- Other				
Environmental				
Capital Development	326,000	326,000		326,000
Perpetual Care	14,730	14,730		14,730
Committed Expenditure	250,000	250,000		250,000
Land Dedication	9,000	9,000		9,000
Land Facility	94,650	94,650		94,650
Total	443,447	1,026,763		583,316
Surplus Appropriations				
	9,379,620			
		10,153,562		773,942

RECONCILIATION WITH OPERATING SURPLUS OR DEFICIT

REVENUE	ESTIMATED	ACTUAL	SURPLUS (DEFICIT)
Tax Revenue	5,326,403	5,322,996	(3,407)
Other Revenue	4,053,217	4,852,270	799,053
Revenue Surplus (Deficit)	9,379,620	10,175,266	795,646
EXPENDITURE			
	9,379,620	10,153,562	(773,942)
OPERATING SURPLUS (DEFICIT)		21,704	21,704

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

STATEMENT 11

UTILITY OPERATING FUND
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2004

REVENUE

CONSUMER SALES	METERED	FLAT RATE	TOTAL
Residential			
Commercial and Bulk			
Industrial			
Federal and Provincial			
Municipal and Schools			
Total			1,198,432

Less: Discounts			
Refunds and Cancellations	17,465	17,465	1,180,967

SEWER SERVICE CHARGES

PENALTIES			
HYDRANT RENTALS			4,058
CONSUMER INSTALLATION SERVICE			29,575
CONNECTION REVENUE - NET			26,845
GRANTS - FEDERAL			19,223
OTHER REVENUE			33,000
TRANSFER FROM GENERAL OPERATING FUND - STATEMENT 10			7,767

Re: Debentures		93,925	
Re: Operations			93,925

TRANSFER FROM RESERVE FUND - SCHEDULE 5
TRANSFER FROM ACCUMULATED SURPLUS - STATEMENT 8
OPERATING DEFICIT - STATEMENT 8

TOTAL			2,008,160
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EXPENDITURE

WATER SUPPLY			776,908
SEWAGE COLLECTION AND DISPOSAL			271,092
TRANSFER TO CAPITAL - STATEMENT 14			661,580
TRANSFERS TO RESERVE - SCHEDULE 5			200,000
DEBENTURE DEBT CHARGES - SCHEDULE 7			93,925
OTHER LONG-TERM DEBT CHARGES			
SURPLUS APPROPRIATIONS - STATEMENT 8			

Deferred Surplus - Operating Deficit

OPERATING SURPLUS - STATEMENT 8			4,655
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TOTAL			2,008,160
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STATEMENT 12

COMPARISON OF UTILITY BUDGETED AND ACTUAL EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2004

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
Water Supply	746,960	776,908		29,948
Sewage Collection and Disposal	298,384	271,092	27,292	
Transfer to Capital	753,000	661,580	91,420	
Transfers to Reserve	200,000	200,000		
Debtenture Debt Charges	93,925	93,925		
Other Long-Term Debt Charges				
Surplus Appropriations				
Total Estimated	2,092,269			
Total Actual		2,003,505		
Total Underspent			88,764	
Total Overspent				

RECONCILIATION WITH OPERATING SURPLUS OR DEFICIT

REVENUE	ESTIMATED	ACTUAL	SURPLUS (DEFICIT)
	2,092,269	2,008,160	(84,109)
EXPENDITURE			
	2,092,269	2,003,505	88,764
OPERATING SURPLUS			
		4,655	4,655

STATEMENT 13

STATEMENT OF SOURCE AND APPLICATION OF GENERAL CAPITAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

SOURCE

UNEXPENDED FUNDS, JANUARY 1			
Cash			0
Receivables			
SHORT-TERM BORROWING			
Bank			
Other Funds			0
Other			
LONG-TERM BORROWING			
Debentures - Schedule 8	847,000		847,000
Other			
PREPAID LOCAL IMPROVEMENT LEVIES			
			111,912
CAPITAL EXPENDITURES FROM REVENUE - STATEMENT 10			
			1,462,121
CAPITAL EXPENDITURES FROM RESERVES - SCHEDULE 5 GRANTS - SCHEDULE 3			
Federal Government			
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments			0
Other			
ACCOUNTS PAYABLE, DECEMBER 31			
OTHER - RECOVERIES			58,095
TOTAL			2,479,128

APPLICATION

FIXED ASSETS

	CONSTRUCTION	PURCHASE	IMPROVEMENTS	TOTAL
CAPITAL EXPENDITURES				
General Government	15,876	282,126		298,002
Protection		90,524	55,751	146,275
Transportation		128,508	1,139,503	1,268,011
Recreation and Culture	4,004	11,202		15,206
Economic Development			297,064	297,064
Environmental Health		382,067		382,067
Public Health & Welfare		4,975		4,975
TOTAL	19,880	899,402	1,492,318	2,411,600

REPAYMENT OF SHORT-TERM BORROWING

Bank			
Other Funds			
Other		32,951	32,951

DEBTURE DISCOUNT AND INTEREST

REPAYMENT OF ACCOUNTS PAYABLE

UNEXPENDED FUNDS, DECEMBER 31 - STATEMENT 3

Cash			
Receivables - Own Funds		34,577	34,577
OTHER			
TOTAL			2,479,128

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

STATEMENT OF SOURCE AND APPLICATION OF UTILITY CAPITAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

SOURCE

UNEXPENDED FUNDS, JANUARY 1		
Cash		
Receivables		0
SHORT-TERM BORROWING		
Bank		
Other Funds		0
Other		
LONG-TERM BORROWING		
Debentures - Schedule 8	725,000	725,000
Other		
PREPAID LOCAL IMPROVEMENT LEVIES		17,516
CAPITAL EXPENDITURES FROM REVENUE - STATEMENT 11		661,580
CAPITAL EXPENDITURES FROM RESERVES - SCHEDULE 5		
GRANTS - SCHEDULE 3		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Other		0
ACCOUNTS PAYABLE, DECEMBER 31		
OTHER - RECOVERIES		389
TOTAL		1,404,485

APPLICATION

FIXED ASSETS

	CONSTRUCTION	PURCHASE	LOCAL IMPROVEMENTS	TOTAL
CAPITAL EXPENDITURES				
Water Supply		67,043	482,052	549,095
Sewage Disposal			787,891	787,891
TOTAL	0	67,043	1,269,943	1,336,986

REPAYMENT OF SHORT-TERM BORROWING

Bank		
Other Funds	17,516	
Other		17,516

DEBENTURE DISCOUNT AND INTEREST

REPAYMENT OF ACCOUNTS PAYABLE

UNEXPENDED FUNDS, DECEMBER 31 - STATEMENT 6

Cash		
Receivables - Own Funds	49,983	49,983
OTHER		
TOTAL		1,404,485

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

SCHEDULE 1

**ANALYSIS OF TAX ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2004**

	TAXES ON ROLL	TAX SALE CERTIFICATES	TAX TITLES	AGREEMENTS OF SALE
Balance, January 1	231,154			
ADD:				
Tax Levy - Schedule 2	11,705,083			
Taxes Added - Statement 9	376,532			
Penalties or Interest Added - Statement 9	27,742			
Other Accounts Added	35,760			
Taxes Overpaid				
Transfer Re Tax Sale				
Tax Titles Acquired				
Land Sales				
TAX ADJUSTMENTS (SPECIFY)				
SUB-TOTAL	12,376,271	0	0	0
DEDUCT:				
Cash Collections:				
Arrears	11,154,373			
Current	155,215			
Transfers Re Tax Sale	10,999,158			
Cancellations				
Returned to Roll	19,120			
Title Value of Land Sales				
Transfers Re Titles Acquired				
Tax Discounts - Statement 10				
M.P.T.C. - Cash Advance	855,592			
Other Credits:				
TOTAL	347,186	0	0	0
BALANCE, DECEMBER 31	347,186	0	0	0

(Statement 1)

SCHEDULE 2

**ANALYSIS OF TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2004**

	ASSESSMENT	MILL RATE	LEVY
Other Governments (L.U.D.)			
Debt Charges			
Frontage			
Mill Rate			
(At Large) Utility District	Various	Various	21,934
(L.I.D.) General District	277,906,520	.32	88,930
	295,887,540	1.62	479,338
Total			590,202
Minister of Intergovernmental Affairs			
Deferred Surplus			
Reserves:			
By-Law			
By-Law			
By-Law			
General Municipal	250,698,030	12.16	3,048,475
Special Levies (Specify)			
Waste & Disposal	295,887,540	4.00	311,220
Section 312 M.A.			1,183,550
Business Tax - Rate	16,549,400		165,494
Total Municipal Taxes			5,298,941
Schools			
Prov. Education 1	134,008,820	4.58	613,760
Prov. Education 2	94,713,730	16.56	1,568,459
Total Education Support Program			2,182,219
Special Division No.	230,563,460	18.32	4,223,923
Hanover			
Total School Taxes			6,406,142
TOTAL TAX LEVY - SCHEDULE 1			11,705,083

SCHEDULE 3

ANALYSIS OF GOVERNMENT TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2004

	BALANCE JANUARY 1	GRANTS EARNED (Statement 9)	GRANTS RECEIVED	ADJUSTMENTS	BALANCE DECEMBER 31 (Statement 1)
GENERAL FUND					
PROVINCIAL					
Grants in Lieu - Note 2		220,033	220,033		
Prov.-Mun. Tax Sharing		1,210,175	1,210,175		
Municipal Support Grants		58,482	58,482		
VLT Revenues		130,919	130,919		
Conditional Grants					
General Govt. Protection					
Transportation	13,256	24,531	27,438		10,349
Environmental Health					
Public Health & Welfare	1,681	4,788	6,469		
Environmental Planning		35,000	22,500		12,500
Economic Development		6,779	6,779		
Recreation		5,930	5,930		

FEDERAL

Grants in Lieu - Note 2		44,510	44,510		
Unconditional Grants					
Conditional Grants (Spec):					
GST		29,994	5,238		24,756
Transportation		630	630		

LOCAL (Specify name of Govt. and type of grant as above):

Total - General Fund	14,937	1,771,771	1,739,103		47,605
School - Grants in Lieu - Note 2		175,767			
Municipal Grants - Statement 9		1,596,004			

UTILITY FUND

Provincial Grant					(Statement 4)
Federal Grant		33,000	33,000		
Local Grant					

GENERAL CAPITAL GRANTS (Specify Govt. and type as above)

		(Statement 13)			(Statement 3)

UTILITY CAPITAL GRANTS

Provincial					(Statement 6)
Federal					
Local					
Total - All Grants	14,937	1,804,771	1,772,103		47,605

Note: Provincial and Federal includes both Government and Enterprises.

SCHEDULE 4

ANALYSIS OF SCHOOL ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2004

OUTSTANDING JANUARY 1	CURRENT REQUIREMENT	CURRENT PAYMENTS	OUTSTANDING DECEMBER 31 (STATEMENT 1)
22,423	2,250,040	2,272,463	

EDUCATION SUPPORT PROGRAM

SPECIAL LEVIES:

School Division - Hanover	39,189	4,307,814	4,347,003

TOTAL

	61,612	6,557,854	6,619,466	0
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Per Note 2 - Raised By:

Taxation 6,382,087
Grants in Lieu 175,767

**ANALYSIS OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004**

SCHEDULE 5

RESERVE NAME BY-LAW NO.	GENERAL 1646	EQUIPMENT REPLACEMENT 1647	LAND AND FACILITY 1648	CAPITAL DEVELOPMENT 1652
BALANCE, JANUARY 1	661,137	260,144	447,401	1,254,596
ADD:				
Interest Earned	31,442	5,765	9,411	26,627
Transfer from Operating (Statement 10)			94,650	326,000
Handivan Depreciation		4,010		
SUB-TOTAL	692,579	269,919	551,462	1,607,223
DEDUCT:				
Purchases (Statement 13)				6,400
Transfer To Revenue (Statement 9)				
BALANCE, DECEMBER 31 - Statement 2	692,579	269,919	551,462	1,600,823
RESERVE NAME BY-LAW NO.				
BALANCE, JANUARY 1		1,639,378	13,021	77,228
ADD:				
Interest Earned		43,512	279	1,659
Transfer from Operating (Statement 10)		332,383		14,730
SUB-TOTAL		2,015,273	13,300	93,617
DEDUCT:				
Purchases (Statement 13)		175,000		
Transfer to Revenue (Statement 9)				
BALANCE, DECEMBER 31 - Statement 2		1,840,273	13,300	93,617
RESERVE NAME BY-LAW NO.				
BALANCE, JANUARY 1				
ADD:				
Interest Earned				
Transfer from Operating (Statement 11)		9,000		25,665
				200,000
SUB-TOTAL		9,000	0	1,407,014
DEDUCT:				
Purchases (Statement 14)				612,800
Transfer To Revenue (Statement 11)				
BALANCE, DECEMBER 31 - Statement 5		9,000	0	794,214

COMMITTED EXPENDITURES	LAND DEDICATION	UTILITY	WATER & SEWER UTILITY
1654	1739		1649
22,500			1,181,349
483			25,665
250,000	9,000		200,000
272,983	9,000	0	1,407,014
272,983	9,000	0	794,214

SCHEDULE 6

ANALYSIS OF INVESTMENTS
AS AT DECEMBER 31, 2004

TYPE	DUE DATE Y/M/D	INTEREST RATE	INTEREST EARNED	AMOUNT	TOTAL
GOVERNMENT OF CANADA					0
PROVINCE OF MANITOBA AND AGENCIES HYDRO	2007/06/15	3.80	22,000	200,000	200,000
OTHER PROVINCES OR PROVINCIAL AGENCIES					0
DEBENTURES OF OWN MUNICIPALITY	BY-LAW PER SCHEDULE 6A		8,601	291,396	291,396
DEBENTURES OF OTHER LOCAL GOVERNMENTS					0
MANITOBA INVESTMENT POOL AUTHORITY					0
OTHER INVESTMENTS RURAL DEV. BOND BOM GUAR CERT	2004/09/01 2007/06/18	7.00 4.90	4,839 4,900	100,000	100,000
TOTAL INVESTMENTS					591,396

INVESTMENT HOLDINGS
AS AT DECEMBER 31, 2004

TYPE	NAME OF RESERVE	RESERVED (Statements2/5)	TRUST (Statement 7)	UNRESERVED (Statements1/4)	TOTAL
GOVERNMENT OF CANADA					0
PROVINCE OF MANITOBA	ENVIRONMENTAL	200,000			200,000
OTHER PROVINCES OR AGENCIES					0
DEBENTURES OF OWN MUNICIPALITY	GENERAL	291,396			291,396
DEBENTURES OF OTHER LOCAL GOVERNMENTS					0
MANITOBA INVESTMENT POOL AUTHORITY					0
OTHER INVESTMENTS	GENERAL	100,000			100,000
TOTAL INVESTMENTS					591,396
INVESTMENT CHANGES 2004					
TOTAL INVESTMENTS, JANUARY 1					683,714
INVESTMENTS ACQUIRED	OWN DEBENTURES		192,000		192,000
	OTHER		200,000		200,000
					1,075,714
INVESTMENTS SOLD					
INVESTMENTS MATURED	OWN DEBENTURES \$34,318			484,318	484,318
	OTHER \$450,000				
TOTAL INVESTMENTS, DECEMBER 31					591,396

CITY OF STEINBACHSchedule 6AANALYSIS OF INVESTMENT IN OWN DEBENTURESDECEMBER 31, 2004

<u>By-Law</u>	<u>Fund</u> <u>Issued By</u>	<u>Due</u> <u>Date</u>	<u>Interest</u> <u>Rate</u> %	<u>Interest</u> <u>Earned</u> \$	<u>Amount</u> \$
OWNED BY GENERAL RESERVE:					
1744	G	2009	5.00	-	192,000
1610	G	2005	7.00	1,420	10,485
1673	U	2007	6.00	5,306	68,215
1702	G	2008	7.50	<u>1,875</u>	<u>20,696</u>
TOTAL INVESTMENT IN OWN DEBENTURES				<u>8,601</u>	<u>291,396</u>

**STATISTICAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2004**

TAXABLE ASSESSMENT (PORTIONED)

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

TO BE
COMPLETED
BY DEPARTMENT

POPULATION (LATEST CENSUS OF CANADA)

9,227

BUDGET RECONCILIATION - GENERAL FUND

Revenue - Surplus (Deficit)	795,646
Expended - Under (Over)	(773,942)
Estimated Surplus (Deficit)	
Operating Surplus (Deficit)	21,704
Operating Surplus (Deficit) - Prior Year	45,667
Gain or (Loss)	(23,963)

CASH POSITION

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

GENERAL FUND		COMBINED FUNDS
	502,563	513,690
	570,557	603,546
	(67,994)	(89,856)

DEFICIT RECOVERIES AND DEFERRED SURPLUS LEVIES

GENERAL FUND OPERATING DEFICITS

Year	Date	Authority		Actual Amount	Recoveries	Outstanding December 31
		Term	Amount			

UTILITY FUND OPERATING DEFICITS

Year	Board Order	Authority		Actual Amount	Recoveries	Outstanding December 31
		Term	Amount			

BY-LAW OBLIGATIONS

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

TAX COLLECTIONS

TAXES ON ROLL	- Current	10,999,158
	- Cash Collections	855,592
- Arrears	11,854,750	
- Total	155,215	
TAX SALE CERTIFICATES	12,009,965	
LAND SALES		

TOTAL COLLECTIONS

12,009,965

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

1. Significant Accounting Policies:

In accordance with accounting policies generally accepted for municipal corporations in Manitoba, the municipality has adopted the following accounting practices:

- a) Fixed assets purchased through revenue funds are charged to expense in the year of acquisition. These assets, are recorded in the capital fund without any provision for depreciation. Fixed assets partially purchased through debentures have been recorded at cost except for any portion shown as a capital asset.
- b) Capital assets financed through debentures are recorded at a value equal to the debenture debt. The applicable revenue funds are charged with the annual debenture principal retirement and the capital assets are reduced by a similar amount.
- c) No provision is made in the records for interest accrued since the annual payment date required for each debenture issue payable or for interest earned on own debentures or other investments held.

2. Net Municipal Taxes and Grants in Lieu of Taxes:

Revenue From Taxation:	\$	\$
Total municipal taxes - schedule 2		5,298,941
Total school taxes - schedule 2	6,406,142	
School expenditure raised by taxation	<u>6,382,087</u>	<u>24,055</u>
Municipal Revenue - statement 9		<u>5,322,996</u>

Grants in Lieu of Taxes:

Per schedule 3:		
Provincial	220,033	
Federal	<u>44,510</u>	264,543

School expenditure raised by grants in lieu

175,767

Municipal revenue - statement 9

88,776

Total

5,411,772

3. Excess debentures issued under B/L 1740

General Capital:		
B/L 1699 road surfacing		34,577
Utility Capital:		
B/L 1698 sewer & water mains		<u>49,983</u>
		<u><u>84,560</u></u>

Debenture By-Law 1740 was issued in 2004 for an amount in excess of the local improvement costs incurred to December 31, 2004 for by-laws 1697, 1698, 1699 and 1701. Costs of \$84,560 will be incurred in 2005 to complete these projects and the remaining authority under these by-laws has been cancelled.