

# **CITY OF DAUPHIN**

**Consolidated Financial Statements  
For the Year Ended December 31, 2015**

## STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the *City of Dauphin* 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 Chartered Professional Accountants Canada.

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 City 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.

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

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*Brad Collett, CPA, CA*  
Chief Administrative Officer, City of Dauphin



## INDEPENDENT AUDITORS' REPORT

To the Mayor and members of Council of the  
City of Dauphin

We have audited the accompanying consolidated financial statements of the City of Dauphin, which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations, change in net financial assets, cash flows and supporting schedules for the year ended December 31, 2015, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatements, 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 generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained 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 consolidated financial position of the City of Dauphin as at December 31, 2015, and the results of its consolidated operations, change in net financial assets, cash flows and supporting schedules for the year ended December 31, 2015 in accordance with Canadian public sector accounting standards.

### *Other Matter*

The prior period figures were audited by another firm of public accountants who issued an unqualified Auditors' Report with an audit date of June 30, 2015.

June 27, 2016  
Dauphin, Manitoba

*MNP LLP*  
Chartered Professional Accountants

# **CITY OF DAUPHIN**

## **Consolidated Financial Statements**

**For the Year Ended December 31, 2015**

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<b>Consolidated Statement of Financial Position</b>	<b>5</b>
<b>Consolidated Statement of Operations</b>	<b>6</b>
<b>Consolidated Statement of Change in Net Financial Assets</b>	<b>7</b>
<b>Consolidated Statement of Cash Flows</b>	<b>8</b>
<b>Notes to the Consolidated Financial Statements</b>	<b>9</b>
<b>Schedule 1 - Consolidated Schedule of Tangible Capital Assets</b>	<b>21</b>
<b>Schedule 2 - Consolidated Schedule of Revenues</b>	<b>22</b>
<b>Schedule 3 - Consolidated Schedule of Expenses</b>	<b>23</b>
<b>Schedule 4 - Consolidated Statement of Operations by Program</b>	<b>24</b>
<b>Schedule 5 - Consolidated Details and Reconciliation to Core Government Results</b>	<b>26</b>
<b>Schedule 6 - Schedule of Change in Reserve Fund Balances</b>	<b>27</b>
<b>Schedule 7 - Schedule of Trust Funds</b>	<b>28</b>
<b>Schedule 8 - Schedule of Financial Position for Utilities</b>	<b>29</b>
<b>Schedule 9 - Schedule of Utility Operations</b>	<b>30</b>
<b>Schedule 10 - Reconciliation of the Financial Plan to the Budget</b>	<b>32</b>
<b>Schedule 11 - Analysis of Taxes on Roll</b>	<b>33</b>
<b>Schedule 12 - Analysis of Tax Levy</b>	<b>34</b>
<b>Schedule 13 - Analysis of School Accounts</b>	<b>35</b>
<b>Schedule 14 - Schedule of General Operating Fund Expenses</b>	<b>36</b>
<b>Schedule 15 - Schedule of L.U.D. Operations</b>	<b>37</b>
<b>Schedule 16 - Schedule of Debentures Pending</b>	<b>38</b>
<b>Schedule 17 - Reconciliation of Annual Surplus (Deficit)</b>	<b>39</b>

**CITY OF DAUPHIN  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
As at December 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 8,381,555	\$ 7,857,727
Amounts receivable (Note 4)	1,454,460	1,799,832
Portfolio investments (Note 5)	243,280	247,347
Loans and advances	46,614	58,570
Inventories for resale (Note 6)	<u>43,185</u>	<u>35,077</u>
	<u>\$ 10,169,094</u>	<u>\$ 9,998,553</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 7)	\$ 2,431,224	\$ 2,721,753
Severance and vested sick leave payable	369,445	382,636
Deferred revenue	347,909	87,342
Landfill closure and post closure liabilities (Note 8)	260,129	247,447
Long-term debt (Note 9)	<u>635,187</u>	<u>880,483</u>
	<u>\$ 4,043,894</u>	<u>\$ 4,319,661</u>
<b>NET FINANCIAL ASSETS</b>	<u>\$ 6,125,200</u>	<u>\$ 5,678,892</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 48,372,258	\$ 47,912,042
Inventories for use (Note 6)	198,575	209,713
Prepaid expenses	<u>194,546</u>	<u>132,627</u>
	<u>48,765,379</u>	<u>48,254,382</u>
<b>ACCUMULATED SURPLUS (Note 15)</b>	<u>\$ 54,890,579</u>	<u>\$ 53,933,274</u>

**COMMITMENTS AND CONTINGENCIES (NOTE 10)**

Approved on behalf of Council:

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Eric Irwin - Mayor

\_\_\_\_\_  
Al Dowhan - Deputy Mayor

**CITY OF DAUPHIN**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
Year Ended December 31, 2015

	<u>2015 Budget (Note 14)</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
<b>REVENUE</b>			
Property taxes	\$ 5,742,542	\$ 5,673,383	\$ 5,575,293
Grants in lieu of taxation	355,257	368,155	374,302
User fees	1,965,109	1,879,120	1,710,508
Grants - Province of Manitoba	2,012,812	2,019,661	2,294,222
Grants - other	828,185	829,582	823,402
Permits, licences and fines	185,632	184,044	192,775
Investment income	41,878	223,084	163,319
Other revenue	321,127	740,925	448,640
Water and sewer	3,368,160	3,156,912	3,670,389
	<u>14,820,702</u>	<u>15,074,866</u>	<u>15,252,850</u>
<b>EXPENSES</b>			
General government services	1,436,434	1,279,361	1,238,079
Protective services	2,770,897	2,761,231	2,493,445
Transportation services	2,623,757	2,648,770	2,868,176
Environmental health services	812,614	804,825	732,207
Public health and welfare services	93,627	185,267	93,540
Regional planning and development	153,242	127,125	117,112
Resource conservation and industrial development	444,271	346,581	412,051
Recreation and cultural services	3,335,192	3,265,942	3,300,225
Water and sewer services	3,062,686	2,693,241	2,941,016
	<u>14,732,720</u>	<u>14,112,343</u>	<u>14,195,851</u>
Total expenses (Schedules 3, 4 and 5)			
<b>ANNUAL SURPLUS</b>	<u>\$ 87,982</u>	962,523	1,056,999
<b>ADJUSTMENT FOR CHANGE IN PARTNERSHIP INTEREST (Note 12)</b>		(5,218)	1,275
<b>CORRECTION OF AN ERROR (Note 13)</b>		-	(77,717)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<u>53,933,274</u>	<u>52,952,717</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 54,890,579</u>	<u>\$ 53,933,274</u>

**CITY OF DAUPHIN  
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS  
Year Ended December 31, 2015**

	<u>2015 Actual</u>	<u>2014 Actual</u>
<b>ANNUAL SURPLUS</b>	<b>\$ 962,523</b>	<b>\$ 1,056,999</b>
Acquisition of tangible capital assets	(3,253,988)	(3,755,886)
Amortization of tangible capital assets	2,517,738	2,459,689
Adjustment for change in percentage of partnership (Note 12)	(3,117)	(7)
Loss (Gain) on sale of tangible capital assets	(390,889)	(62,648)
Proceeds on sale of tangible capital assets	664,822	128,376
Decrease (increase) in inventories for use	11,138	(24,262)
Decrease (increase) in prepaid expense	(61,919)	580
	<u>(516,215)</u>	<u>(1,254,158)</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>446,308</b>	<b>(197,159)</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b><u>5,678,892</u></b>	<b><u>5,876,051</u></b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b><u><u>\$ 6,125,200</u></u></b>	<b><u><u>\$ 5,678,892</u></u></b>

**CITY OF DAUPHIN  
CONSOLIDATED STATEMENT OF CASH FLOWS  
Year Ended December 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 962,523	\$ 1,056,999
Changes in non-cash items:		
Amounts receivable	345,372	(369,676)
Inventories	3,030	(13,144)
Prepays	(61,919)	580
Accounts payable and accrued liabilities	(290,529)	933,666
Severance and vested sick leave payable	(13,191)	13,441
Deferred revenue	260,567	(44,805)
Landfill closure and post closure liabilities	12,682	27,673
Loss (Gain) on sale of tangible capital asset	(390,889)	(62,648)
Amortization	2,517,738	2,459,689
	<u>3,345,384</u>	<u>4,001,775</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets	664,822	128,376
Cash used to acquire tangible capital assets	(3,253,988)	(3,755,886)
	<u>(2,589,166)</u>	<u>(3,627,510)</u>
<b>INVESTING TRANSACTIONS</b>		
Adjustment for change in percentage of partnerships (Note 12)	(3,117)	(7)
Loans and advances repaid (advanced)	11,956	(57,546)
Redemption (Purchase) of portfolio investments	4,067	(11,284)
	<u>12,906</u>	<u>(68,837)</u>
<b>FINANCING TRANSACTIONS</b>		
Debt repayment to 3rd party	(245,296)	(286,160)
<b>INCREASE IN CASH AND TEMPORARY INVESTMENTS</b>	<b>523,828</b>	<b>19,268</b>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<b><u>7,857,727</u></b>	<b><u>7,838,459</u></b>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<b><u>\$ 8,381,555</u></b>	<b><u>\$ 7,857,727</u></b>



**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

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**1. Status of the City of Dauphin**

The incorporated City of Dauphin ("the City") is a municipal government that was created in 1998 pursuant to the Manitoba Municipal Act. The City provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The City owns one 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 Chartered Professional Accountants Canada 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:

Dauphin Community Concert Band

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

Riverside Cemetery Board (50%) (2014 - 50%)  
Parkland Regional Library Service (21.92%) (2014 - 22.81%)  
Dauphin Public Library (78.95%) (2014 - 78.95%)  
Dauphin Regional Airport Authority Inc. (78.95%) (2014 - 78.95%)  
Dauphin Recreation Services (78.95%) (2014 - 78.95%)

The taxation with respect to the operations of the 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. The Municipality held no funds in trust on December 31, 2015.

**b) Basis of Accounting**

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

**c) Cash and Temporary Investments**

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

**d) Investments**

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

Portfolio investments are accounted for at cost.

**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

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

**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 statement of financial position date.

**f) Landfill Closure and Post Closure Liabilities**

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

**g) Non-Financial Assets**

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

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

**h) Tangible Capital Assets**

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

**General Tangible Capital Assets**

Land	Indefinite
Land Improvements	10 to 100 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 to 10 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	50 years
Buildings	25 to 40 years
Underground networks	40 to 75 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

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

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

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.

**i) Leases**

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

**j) Inventories**

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

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

**k) Revenue Recognition**

Revenues are recognized as they are earned and measurable.

Government transfers are recognized in the financial statements when the transfer is authorized and eligibility criteria are met except, when and to the extent, stipulations by the transferor gives rise to an obligation that meets the definition of a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfers with stipulations an equivalent amount of revenue is recognized as the liability is settled.

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

**l) Measurement Uncertainty**

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

Measurement uncertainty in these financial statements exists in the 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.

**m) Recent Accounting Pronouncements**

*Related Party Disclosures (PS 2200)*

In March 2015, as part of the CPA Canada Public Sector Accounting Handbook Revisions Release No. 42, the Public Sector Accounting Board (PSAB) issued a new standard, PS 2200 Related Party Disclosures. This new Section defines related party and established disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value difference from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements. This section is effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

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

**m) Recent Accounting Pronouncements (continued)**

***Contingent Assets (PS 3320)***

In June 2015, new PS 3320 Contingent Assets was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on contingent assets. The main features of this standard are as follows:

- Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.
- Passing legislation that has retroactive application after the financial statement date cannot create an existing condition or situation at the financial statement date.
- Elected or public sector entity officials announcing public sector entity intentions after the financial statement date cannot create an existing condition or situation at the financial statement date.
  
- Disclosures should include existence, nature, and extent of contingent assets, as well as the reasons for any non-disclosure of extent, and the bases for any estimates of extent made.
- When a reasonable estimate can be made, disclosure should include a best estimate and a range of possible amounts (or a narrower range of more likely amounts), unless such a disclosure would have an adverse impact on the outcome.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

***Contractual Rights (PS 3380)***

In June 2015, new PS 3380 Contractual Rights was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). This new Section establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this standard are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.
- Disclosures should include descriptions about nature, extent, and timing.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

***Inter-entity Transactions (PS 3420)***

In March 2015, the Public Sector Accounting Board (PSAB) issued new PS 3420 Inter-entity Transactions. The new Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The main features of the new Section are:

- Under a policy of cost allocation, revenues and expenses are recognized on a gross basis.
- Transactions are measured at the carrying amount, except in specific circumstances.
- A recipient may choose to recognize unallocated costs for the provision of goods and services and measure them at the carrying amount, fair value or other amount dictated by policy, accountability structure or budget practice.
- The transfer of an asset or liability for nominal or no consideration is measured by the provider at the carrying amount and by the recipient at the carrying amount or fair value.
- Inter-entity transactions are considered in conjunction with PS 2200 Related Party Disclosures.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

**3. Cash and Temporary Investments**

Cash and temporary investments are comprised of the following:

	<u>2015</u>	<u>2014</u>
Cash	\$ 2,172,263	\$ 1,801,842
Temporary Investments	<u>6,209,292</u>	<u>6,055,885</u>
	<u>\$ 8,381,555</u>	<u>\$ 7,857,727</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The City has designated \$6,801,939 (2014 - \$6,261,814) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

**4. Amounts Receivable**

Amounts receivable are valued at their net realizable value.

	<u>2015</u>	<u>2014</u>
Taxes on roll (Schedule 11)	\$ 367,860	\$ 405,873
Grants in lieu	-	72,563
Government grants	290,155	766,592
Utility customers	354,977	315,787
Accrued interest	43,146	43,199
Organizations and individuals	402,890	373,670
Other governments	<u>69,179</u>	<u>3,334</u>
	1,528,207	1,981,018
Less allowances for doubtful amounts	<u>(73,747)</u>	<u>(181,186)</u>
	<u>\$ 1,454,460</u>	<u>\$ 1,799,832</u>

The City of Dauphin encourages property owners to prepay property taxes by using an electronic funds transfer program. As at December 31, 2015, the City was in receipt of \$178,865 (2014 - \$185,040) in prepaid property taxes. The Taxes on Roll balance outstanding on December 31, 2015 and 2014 is net of these credits.

**5. Portfolio Investments**

	<u>2015</u>	<u>2014</u>
Marketable securities:		
- Toronto Dominion Mutual Funds	\$ 215,025	\$ 213,999
Term Deposit	27,730	33,027
Other investments	<u>525</u>	<u>321</u>
	<u>\$ 243,280</u>	<u>\$ 247,347</u>

The aggregate market value of the marketable securities at December 31, 2015 is \$215,025 (2014 - \$213,999). Portfolio investments earned \$1,026 in investment income during the year and earned investment income in 2014 of \$15,371.

**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

**6. Inventories**

**Inventories for sale:**

	<u>2015</u>	<u>2014</u>
Food and beverages	\$ 9,103	\$ 8,431
Fuel (Airport)	<u>34,082</u>	<u>26,646</u>
	<u>\$ 43,185</u>	<u>\$ 35,077</u>

**Inventories for use:**

Chemicals	15,864	13,850
Pipes and water supplies	137,473	151,979
Aggregate and other	<u>45,238</u>	<u>43,884</u>
	<u>\$ 198,575</u>	<u>\$ 209,713</u>

**7. Accounts Payable and Accrued Liabilities**

	<u>2015</u>	<u>2014</u>
Accounts payable and accrued expenses	\$ 902,367	\$ 1,704,575
Accrued interest payable	2,948	4,360
School levies (Schedule 13)	150,070	149,728
Other governments	<u>1,375,839</u>	<u>863,090</u>
	<u>\$ 2,431,224</u>	<u>\$ 2,721,753</u>

**8. Landfill Closure and Post Closure Liabilities**

**a) Operating Landfill Site**

The Municipality is currently operating a Class 1 landfill site in the RM of Dauphin. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

In 2014, a new landfill study was conducted as part of the Provincial Licensing requirements. This study also estimated the remaining capacity of the landfill and revised the annual estimates of waste entering the landfill. It was determined that the remaining capacity available was less than previously estimated; however, due to new landfill practices and a reduction in waste, the estimated useful life of the landfill has actually increased by 10 years. As a result of these revised estimates, the landfill is not expected to reach capacity until 2039.

	<u>2015</u>	<u>2014</u>
Estimated closure and post closure costs over the next 34 years	\$ 910,275	\$ 910,275
Discount rate	<u>3.75%</u>	<u>3.75%</u>
<b>Discounted costs</b>	<u>\$ 351,565</u>	<u>\$ 338,858</u>
Expected year capacity will be reached	2039	2039
Capacity (tonnes):		
Used to date	913,820	901,866
Remaining	<u>321,213</u>	<u>333,167</u>
Total	<u>1,235,033</u>	<u>1,235,033</u>
Percent utilized	<u>73.99%</u>	<u>73.02%</u>
<b>Liability based on percentage</b>	<u>\$ 260,129</u>	<u>\$ 247,447</u>

**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

**9. Long-Term Debt**

	<u>2015</u>	<u>2014</u>
<b>General Authority:</b>		
Debenture, interest at 7.0%, payable at \$50,926 annually including interest, maturing December, 2016	\$ 47,594	\$ 92,075
Debenture, interest at 6.875%, payable at \$98,036 annually including interest, maturing December, 2016	91,730	177,559
Debenture, interest at 4.75%, payable at \$3,614 annually including interest, maturing December, 2031	39,875	41,517
	<u>\$ 179,199</u>	<u>\$ 311,151</u>
<b>Utility Funds:</b>		
Debenture, interest at 6.875%, payable at \$36,789 annually including interest, maturing December, 2015	-	34,423
Debenture, interest at 7.0%, payable at \$72,032 annually including interest, maturing December, 2016	67,320	130,236
Debenture, interest at 4.75%, payable at \$29,447 annually including interest, maturing December, 2031	324,893	338,272
Debenture, interest at 4.75%, payable at \$5,780 annually including interest, maturing December, 2031	63,775	66,401
	<u>\$ 455,988</u>	<u>\$ 569,332</u>
	<u>\$ 635,187</u>	<u>\$ 880,483</u>

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

2016	225,130
2017	19,363
2018	20,283
2019	21,247
2020	22,256
Subsequent years	<u>326,908</u>
	<u>\$ 635,187</u>

**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

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**10. Commitments and Contingencies**

**Royal Canadian Mounted Police and the Government of Canada**

On April 1, 2012, the City of Dauphin entered into an agreement with the Government of Canada for the purpose of obtaining municipal policing services. The contract expires in March 2032 and can be terminated on any March 31 anniversary date with two years notice. Under the terms of the contract, the annual costs incurred by the RCMP for the policing services they provide will be cost shared between the City of Dauphin and the Province of Manitoba on a 70/30 basis. The City's cost of policing related services that were provided by the RCMP in 2015 totalled \$1,807,603 (2014 - \$1,575,734).

**Portage & District Recycling Inc.**

The City of Dauphin has negotiated a non-exclusive long-term contract with Portage & District Recycling Inc. for the collection, processing and sale of residential and commercial recyclables. The contract expires on January 1, 2024. Annual charges under the contract are determined by recycling volumes collected. Recycling charges under the contract for the year 2015 were \$122,201 (2014 - \$108,552).

**Reit-Syd Equipment Ltd.**

The City of Dauphin has negotiated with Reit-Syd Equipment Ltd. to extend gravity based sanitary sewer service to their property south of Triangle Road. The City of Dauphin is responsible for the net costs related to the installation of the required lift station, while Reit-Syd Equipment is responsible for the net cost of extending the sanitary sewer mains to their property. The actual cost of each component is unknown at this time.

**11. Retirement Benefits**

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$545,111 (2014 - \$585,260) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2014 indicated the plan was 95.2% funded on a going concern basis and had an unfunded solvency liability of \$237.2 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2014.

In 2010, the Government of Manitoba enacted a regulation which permits sponsors of public sector pension plans, including MEPP, to elect permanent exemption from solvency funding requirements subject to certain conditions stated in the regulation. MEPP has elected permanent exemption from solvency funding requirements. As a result, solvency funding is no longer required by MEPP.



**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

**12. Adjustment for Change in Partnership Interest**

The City of Dauphin has forged various partnerships with other municipal governments for the purpose of providing its residents with a variety of programs in a cost effective manner. For some of these programs, the funding allocation between different municipal governments is largely based on current populations and therefore any population changes specific to any one municipal region could have an effect on the overall funding allocation and a municipality's partnership interest. On January 1, 2015, the City of Dauphin's funding responsibility and partnership interest for the programs carried out under Parkland Regional Library was reduced from 22.81% to 21.92%.

As per Chartered Professional Accountants of Canada Handbook section PS3060.40, a change in circumstances affecting a government's interest in a partnership is accounted for prospectively. The change in partnership interest that occurred on January 1, 2015 has been adjusted to accumulated surplus and the prior year figures have not been restated.

**13. Correction of an Error**

On January 1, 2014 the Riverside Cemetery Board elected to change its method of accounting for capital assets. Amortization of capital assets will now be recognized as an expense and the book value of the respective capital asset will be reduced. The organization restated their prior year's balances and applied the change in accounting policy retroactively. This change in accounting policy resulted in a decrease in assets of \$77,717. The opening 2014 adjustment is shown as a prior period adjustment to accumulated surplus.

**14. Budget**

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

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

**15. Accumulated Surplus**

	<u>2015</u>	<u>2014</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 540,463	\$ 540,463
Utility operating fund - Nominal surplus	48,349	48,349
Debenture pending included in nominal surplus	(649,070)	(314,454)
TCA tax sale properties included in nominal surplus	(27,032)	(27,032)
TCA net of related borrowings	34,311,849	33,151,235
Landfill closure & post closure liability	(260,129)	(247,447)
Reserve fund surplus	<u>6,801,939</u>	<u>6,261,814</u>
Accumulated surplus of municipality unconsolidated	40,766,369	39,412,928
Accumulated surpluses of consolidated entities	<u>14,124,210</u>	<u>14,520,346</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u><u>\$ 54,890,579</u></u>	<u><u>\$ 53,933,274</u></u>

**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

**16. 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 City. For the year ended December 31, 2015:

- a) Compensation paid to members of council amounted to \$ 98,978 in aggregate.
- b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	Compensation	Expenses	Total
Mayor Eric Irwin	\$ 27,990	\$ 4,986	\$ 32,976
Deputy Mayor Allen Dowhan	12,985	3,669	16,654
Councillor Patti Eilers	12,538	5,063	17,601
Councillor Rodney Juba	12,771	1,470	14,241
Councillor Keith Tkachyk	10,635	-	10,635
Councillor Katherine Bellemare	10,222	521	10,743
Councillor Devin Shtykalo	11,837	2,485	14,322
	<u>\$ 98,978</u>	<u>\$ 18,194</u>	<u>\$ 117,172</u>

- c) The following officers and employees received compensation in excess of \$50,000:

Name	Position	Amount
<i>Cameron Abrey</i>	<i>Fire Chief</i>	\$ 78,572
<i>Darrell Aitken</i>	<i>Engineering Technologist</i>	\$ 74,323
<i>Debbie Austin</i>	<i>Accounting Clerk Engineering 2</i>	\$ 50,137
<i>Bill Brenner</i>	<i>Director of PW &amp; Operations</i>	\$ 111,789
<i>Garry Burla</i>	<i>Equipment Operator 3</i>	\$ 52,746
<i>Scott Carr</i>	<i>Director of Finance</i>	\$ 93,638
<i>Brad Collett</i>	<i>Chief Administrative Officer</i>	\$ 129,862
<i>David Derkach</i>	<i>Building Inspector</i>	\$ 83,027
<i>Terry Genik</i>	<i>Public Works Foreman</i>	\$ 86,455
<i>Sharla Griffiths</i>	<i>Assistant Administrative Officer</i>	\$ 87,370
<i>Randy Hlady</i>	<i>Utility Operator 3</i>	\$ 67,425
<i>Jeff Hume</i>	<i>Utility Foreman</i>	\$ 50,977
<i>Gordon Love</i>	<i>Airport Manager</i>	\$ 72,543
<i>Duane Porath</i>	<i>Mechanic</i>	\$ 59,980
<i>Oblin Negrette Sofan</i>	<i>Utility Operator 2</i>	\$ 62,513
<i>Melissa Stefaniw</i>	<i>Tourism Co-ordinator</i>	\$ 58,076
<i>Robert Watson</i>	<i>Bylaw Enforcement Officer</i>	\$ 50,638
<i>Jeff Weselowski</i>	<i>Utility Foreman - Const. &amp; Maint.</i>	\$ 78,970
<i>Jean-Louis Guillas</i>	<i>Parkland Reg. Library Director</i>	\$ 65,500
<i>Terry Payne</i>	<i>General Manager-Dauphin Rec.</i>	\$ 80,887
<i>Wayne McIntyre</i>	<i>Operations Manager - Dphn Rec.</i>	\$ 57,272
<i>Ferris Vandernat</i>	<i>Finance Manager - Dauphin Rec.</i>	\$ 64,304
<i>Eddie Simpson</i>	<i>Parks Lead Hand - Dauphin Rec.</i>	\$ 53,835
<i>Evan Lee</i>	<i>Facility Lead Hand-Dauphin Rec.</i>	\$ 50,691

**17. Subsequent Events**

The *City of Dauphin* and *Portage & District Recycling Inc.* mutually agreed to terminate their recycling services contract prior to contract expiration. The contract will end at the beginning of September 2016 at which time recycling services will be provided by OSS Waste Disposal (2002) Ltd. A contract with OSS is currently being finalized.

The City of Dauphin has been notified that due to new regulations for wastewater treatment, a major upgrade is required to their wastewater facility. Current costs are estimated to be approximately \$13,000,000. The City is currently working with Federal and Provincial partners to limit the impact that this will have on local ratepayers; however, it is expected that this regulation change will have a significant impact on the City of Dauphin Utility rates. Upgrades to the wastewater treatment facility are expected to begin in 2017.

**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

**18. Government Transfers**

In conjunction with Dauphin Regional Health Centre upgrades, the City of Dauphin and RM of Dauphin were required under Provincial policy to make a capital contribution to the Province. In lieu of this contribution, land having an estimated market value \$1,115,000 (50% owned by City, 50% owned by RM) was transferred to the Province for future development. The City's cost on this land was \$95,142 and as per The Chartered Professional Accountants of Canada Handbook PS3410.14, this transaction has been recorded at cost.

**19. Segmented Information**

The City of Dauphin provides a wide ranges of services to its residents.

Segment information has been provided in Schedule 4 for the following services:

- General Government
- Protective Services
- Transportation Services
- Environmental Health
- Public Health and Welfare Services
- Regional Planning and Development
- Resources Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

Revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies of the segments are consistent with those followed in the preparation of the financial statements as described in the summary of significant accounting policies.

**20. Government Partnerships**

The municipality has several partnership agreements for municipal services. The consolidated financial statements include the municipality's proportionate interest, as disclosed in note 2(a). The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

	<u>2015</u>	<u>2014</u>
<b>Financial Position</b>		
Financial Assets	\$ 1,034,281	\$ 891,176
Liabilities	\$ 337,462	\$ 258,622
Net financial assets (liabilities)	\$ 696,819	\$ 632,554
Non-financial assets	\$ 13,425,921	\$ 13,880,324
Accumulated surplus	<u>\$ 14,122,740</u>	<u>\$ 14,512,878</u>
<b>Result of Operations</b>		
Revenues	\$ 1,527,264	\$ 1,644,275
Expenses	<u>\$ 1,912,184</u>	<u>\$ 1,694,165</u>
Annual deficit	<u>\$ (384,920)</u>	<u>\$ (49,890)</u>

**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2015**

**21. 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.

**Water services:**

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Water Treatment Plant	\$ 3,608,520	\$ -	\$ 150,355	\$ 3,458,165
Industrial Park Water	196,943	-	5,496	191,447
Hydrant upgrades	625,329	-	17,492	607,837
Water meter upgrades	606,697	-	65,986	540,711
Aqueduct upgrades	313,799	-	7,861	305,938
Aqueduct upgrades	-	52,849	1,761	51,088
Brown Reservoir	-	342,663	2,855	339,808
	<u>\$ 5,351,288</u>	<u>\$ 395,512</u>	<u>\$ 251,806</u>	<u>\$ 5,494,994</u>

**Sewer services:**

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Lagoon Cell 1 Upgrades	\$ 133,250	\$ -	\$ 3,250	\$ 130,000
Lagoon Cell 2 Upgrades	153,196	-	3,648	149,548
Lagoon Cell 6 Upgrades	272,336	-	6,333	266,003
Low Pressure Sewer	100,491	-	1,861	98,630
	<u>\$ 659,273</u>	<u>\$ -</u>	<u>\$ 15,092</u>	<u>\$ 644,181</u>

**22 Financial Instruments**

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

CITY OF DAUPHIN  
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
Year Ended December 31, 2015

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		
Cost							2015	2014
Opening costs	\$ 6,361,055	\$ 20,319,220	\$ 7,883,508	\$ 256,313	\$ 33,825,263	\$ 27,085,511	\$ 95,730,870	\$ 92,293,895
Additions during the year	165,954	32,651	1,063,848	11,408	789,633	1,190,494	3,253,988	3,755,886
Disposals and write downs	(138,332)	-	(448,954)	(1,710)	(69,477)	(2,297)	(660,770)	(311,670)
Closing costs	\$ 6,388,677	\$ 20,351,871	\$ 8,498,402	\$ 266,011	\$ 34,545,419	\$ 28,273,708	\$ 98,324,088	\$ 95,738,111
<b>Accumulated Amortization</b>								
Opening accum'd amortization	1,301,556	8,183,941	4,653,510	190,243	19,998,965	13,492,714	47,820,929	45,612,322
Amortization	85,414	499,082	430,260	27,796	780,803	694,383	2,517,738	2,459,689
Disposals and write downs	-	-	(313,640)	(1,710)	(69,477)	(2,010)	(386,837)	(245,942)
Closing accum'd amortization	\$ 1,386,970	\$ 8,683,023	\$ 4,770,130	\$ 216,329	\$ 20,710,291	\$ 14,185,087	\$ 49,951,830	\$ 47,826,069
<b>Net Book Value of Tangible Capital Assets</b>	\$ 5,001,707	\$ 11,668,848	\$ 3,728,272	\$ 49,682	\$ 13,835,128	\$ 14,088,621	\$ 48,372,258	\$ 47,912,042

CITY OF DAUPHIN  
CONSOLIDATED SCHEDULE OF REVENUES  
Year Ended December 31, 2015

SCHEDULE 2

	2015 Actual	2014 Actual
<b>Property taxes:</b>		
Municipal taxes levied (Schedule 12)	\$ 5,592,542	\$ 5,468,764
Taxes added	80,841	106,529
	<u>5,673,383</u>	<u>5,575,293</u>
<b>Grants in lieu of taxation:</b>		
Federal government	39,601	45,357
Provincial government	315,656	315,690
Other local governments	12,898	13,255
	<u>368,155</u>	<u>374,302</u>
<b>User fees</b>		
Parking meters	-	-
Sales of service	1,332,906	1,232,895
Sales of goods	294,625	241,746
Rentals	240,513	229,206
Development charges	11,076	6,661
	<u>1,879,120</u>	<u>1,710,508</u>
<b>Grants - Province of Manitoba</b>		
General assistance payment	1,308,879	1,308,879
General support grant	65,097	57,484
Municipal program grants <i>(formerly VLT revenues)</i>	124,507	124,507
Conditional grants	521,178	803,352
	<u>2,019,661</u>	<u>2,294,222</u>
<b>Grants - other</b>		
Federal government - gas tax funding	424,386	424,439
Federal government - other	14,786	14,039
Other local governments	390,410	384,924
	<u>829,582</u>	<u>823,402</u>
<b>Permits, licences and fines</b>		
Permits	47,695	60,850
Licences	77,585	62,600
Fines	58,764	69,325
	<u>184,044</u>	<u>192,775</u>
<b>Investment income:</b>		
Cash and temporary investments	216,130	161,247
Marketable securities	1,026	-
Customer charges	5,928	2,072
	<u>223,084</u>	<u>163,319</u>
<b>Other revenue:</b>		
Gain (loss) on sale of tangible capital assets	390,889	62,648
Insurance and other rebates	37,501	29,654
Donations	58,266	192,286
Expenses recovered	154,771	69,307
Penalties and interest	81,071	71,496
Other	18,427	23,249
	<u>740,925</u>	<u>448,640</u>
<b>Water and sewer (Schedule 9)</b>	<u>3,156,912</u>	<u>3,670,389</u>
<b>Total revenue</b>	<u>\$ 15,074,866</u>	<u>\$ 15,252,850</u>

**CITY OF DAUPHIN**  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
**Year Ended December 31, 2015**

**SCHEDULE 3**

	2015 Actual	2014 Actual
<b>General government services:</b>		
Legislative	\$ 98,978	\$ 95,780
General administrative	764,510	723,933
Other	415,873	418,366
	<u>1,279,361</u>	<u>1,238,079</u>
<b>Protective services:</b>		
Police	1,978,233	1,739,111
Fire	558,878	517,692
Emergency measures	3,792	9,635
Other protection	220,328	227,007
	<u>2,761,231</u>	<u>2,493,445</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	498,978	497,618
Road and street maintenance	659,733	738,738
Bridge maintenance	1,167	1,330
Sidewalk and boulevard maintenance	89,865	94,071
Street lighting	168,470	165,284
Other	789,241	938,529
Air transport	441,316	432,606
	<u>2,648,770</u>	<u>2,868,176</u>
<b>Environmental health services:</b>		
Waste collection and disposal	681,450	640,791
Recycling	123,375	91,416
	<u>804,825</u>	<u>732,207</u>
<b>Public health and welfare services:</b>		
Public health	151,518	59,791
Social assistance	33,749	33,749
	<u>185,267</u>	<u>93,540</u>
<b>Regional planning and development</b>		
Planning and zoning	14,492	2,737
Urban renewal	-	-
Beautification and land rehabilitation	98,369	94,089
Urban area weed control	2,553	8,432
Other	11,711	11,854
	<u>127,125</u>	<u>117,112</u>
<b>Resource conservation and industrial development</b>		
Veterinary services	11,646	11,646
Tourism	120,216	125,698
Other	214,719	274,707
	<u>346,581</u>	<u>412,051</u>
<b>Recreation and cultural services:</b>		
Community centers and halls	38,065	81,364
Other recreational facilities	2,866,174	2,856,259
Museums	47,400	47,400
Libraries	314,303	315,202
	<u>3,265,942</u>	<u>3,300,225</u>
<b>Water and sewer services (Schedule 9)</b>	<u>2,693,241</u>	<u>2,941,016</u>
<b>Total expenses</b>	<u>\$ 14,112,343</u>	<u>\$ 14,195,851</u>

**CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM**  
Year Ended December 31, 2015

**SCHEDULE 4**

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>REVENUE</b>										
Property taxes	\$ 5,673,383	\$ 5,575,293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	368,155	374,302	-	-	-	-	-	-	-	-
User fees	223,536	215,763	198,262	119,826	348,712	322,708	341,585	360,090	43,790	46,183
Prov of MB - Unconditional Grants	1,373,976	1,366,363	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	-	9,318	8,610	230,147	270,077	157,457	150,863	-	-
Grants - other	429,698	429,746	-	-	49,587	58,019	-	-	-	-
Permits, licences and fines	100,611	93,735	79,404	95,051	-	-	-	-	-	-
Investment income	208,894	135,391	-	-	6,093	2,860	-	-	-	-
Other revenue	519,208	181,395	131,875	44,432	10,347	4,210	3,658	-	6,850	21,238
Water and sewer	-	-	-	-	-	-	-	-	333	374
<b>Total revenue</b>	<b>\$ 8,897,461</b>	<b>\$ 8,371,988</b>	<b>\$ 418,859</b>	<b>\$ 267,919</b>	<b>\$ 644,886</b>	<b>\$ 657,874</b>	<b>\$ 502,700</b>	<b>\$ 510,953</b>	<b>\$ 50,973</b>	<b>\$ 67,795</b>
<b>EXPENSES</b>										
Personnel services	\$ 591,025	\$ 558,178	\$ 590,178	\$ 592,970	\$ 972,190	\$ 984,540	\$ 209,941	\$ 186,408	\$ 41,275	\$ 41,874
Contract services	133,468	122,065	1,784,622	1,580,652	269,442	295,007	118,351	139,228	39,022	38,828
Utilities	57,256	58,506	38,889	39,186	214,074	221,992	7,343	7,489	1,817	1,901
Maintenance materials & supplies	92,170	87,293	83,253	72,449	509,615	627,398	13,287	14,030	4,219	5,329
Grants and contributions	29,338	17,247	-	-	22,722	28,304	77,053	78,032	95,142	-
Amortization	130,317	129,699	99,884	77,718	1,044,146	1,027,681	88,897	87,895	3,128	5,117
Interest on long term debt	17,887	26,368	-	-	-	-	-	-	-	-
Other	227,900	238,723	164,405	130,470	(383,419)	(316,746)	289,953	219,125	664	491
<b>Total expenses</b>	<b>\$ 1,279,361</b>	<b>\$ 1,238,079</b>	<b>\$ 2,761,231</b>	<b>\$ 2,493,445</b>	<b>\$ 2,648,770</b>	<b>\$ 2,868,176</b>	<b>\$ 804,825</b>	<b>\$ 732,207</b>	<b>\$ 185,267</b>	<b>\$ 93,540</b>
<b>Surplus (Deficit)</b>	<b>\$ 7,618,100</b>	<b>\$ 7,133,909</b>	<b>\$ (2,342,372)</b>	<b>\$ (2,225,526)</b>	<b>\$ (2,003,884)</b>	<b>\$ (2,210,302)</b>	<b>\$ (302,125)</b>	<b>\$ (221,254)</b>	<b>\$ (134,294)</b>	<b>\$ (25,745)</b>

\* 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, 2015

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total
	2015	2014	2015	2014	2015	2014	2015	2014	
<b>REVENUE</b>									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,575,293
Grants in lieu of taxation	-	-	-	-	-	-	-	-	374,302
User fees	-	-	10,000	10,000	713,235	635,938	-	-	1,710,508
Prov of MB - Unconditional Grants	-	-	-	3,408	248,461	494,901	-	-	1,366,363
Prov of MB - Conditional Grants	-	-	302	2,204	350,297	333,433	-	-	927,859
Grants - other	-	-	-	-	4,029	3,989	-	-	823,402
Permits, licences and fines	-	-	-	-	1,247	3,830	-	-	192,775
Investment income	-	-	-	-	52,402	205,355	-	-	163,319
Other revenue	4,407	6,888	18,695	5,986	-	-	-	-	448,640
Water and sewer	-	-	-	-	3,156,912	3,670,389	-	-	3,670,389
<b>Total revenue</b>	<b>\$ 4,407</b>	<b>\$ 6,888</b>	<b>\$ 28,997</b>	<b>\$ 21,598</b>	<b>\$ 1,369,671</b>	<b>\$ 1,677,446</b>	<b>\$ 3,156,912</b>	<b>\$ 3,670,389</b>	<b>\$ 15,252,850</b>
<b>EXPENSES</b>									
Personnel services	\$ 13,231	\$ 11,618	\$ 143,320	\$ 155,986	\$ 1,458,299	\$ 1,440,334	\$ 852,126	\$ 904,295	\$ 4,876,203
Contract services	78,990	63,618	12,608	14,376	187,887	150,737	165,922	180,762	2,585,273
Utilities	-	-	6,369	6,169	259,171	270,731	140,789	153,081	759,055
Maintenance materials & supplies	4,039	1,967	3,107	4,756	492,770	446,097	610,526	741,289	2,000,608
Grants and contributions	25,013	30,892	11,646	11,646	348,622	439,396	-	-	605,517
Amortization	-	-	7,660	6,248	449,323	464,758	694,383	660,573	2,459,689
Interest on long term debt	-	-	1,965	2,040	-	-	30,065	40,969	69,377
Other	5,852	9,017	159,906	210,830	69,870	88,172	199,430	260,047	840,129
<b>Total expenses</b>	<b>\$ 127,125</b>	<b>\$ 117,112</b>	<b>\$ 346,581</b>	<b>\$ 412,051</b>	<b>\$ 3,265,942</b>	<b>\$ 3,300,225</b>	<b>\$ 2,693,241</b>	<b>\$ 2,941,016</b>	<b>\$ 14,195,851</b>
<b>Surplus (Deficit)</b>	<b>\$ (122,718)</b>	<b>\$ (110,224)</b>	<b>\$ (317,584)</b>	<b>\$ (390,453)</b>	<b>\$ (1,896,271)</b>	<b>\$ (1,622,779)</b>	<b>\$ 463,671</b>	<b>\$ 729,373</b>	<b>\$ 1,056,999</b>

**CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS**  
**Year Ended December 31, 2015**

	Core Government		Controlled Entities		Government Partnerships		Total
	2015	2014	2015	2014	2015	2014	
<b>REVENUE</b>							
Property taxes	\$ 5,673,383	\$ 5,575,293	\$ -	\$ -	\$ -	\$ -	\$ 5,575,293
Grants in lieu of taxation	368,155	374,302	-	-	-	-	374,302
User fees	948,788	901,338	-	-	930,332	809,170	1,710,508
Prov of MB - Unconditional Grants	1,373,976	1,366,363	-	-	-	-	1,366,363
Prov of MB - Conditional Grants	523,391	564,349	-	-	122,294	363,510	927,859
Grants - other	429,698	431,950	-	-	399,884	391,452	823,402
Permits, licences and fines	180,015	188,786	-	-	4,029	3,989	192,775
Investment income	208,894	135,391	-	-	14,190	27,928	163,319
Other revenue	680,692	397,495	3,698	2,919	56,535	48,226	448,640
Water and sewer	3,156,912	3,670,389	-	-	-	-	3,670,389
<b>Total revenue</b>	<b>\$ 13,543,904</b>	<b>\$ 13,605,656</b>	<b>\$ 3,698</b>	<b>\$ 2,919</b>	<b>\$ 1,527,264</b>	<b>\$ 1,644,275</b>	<b>\$ 15,252,850</b>
<b>EXPENSES</b>							
Personnel services	\$ 3,272,570	\$ 3,294,417	\$ -	\$ -	\$ 1,599,015	\$ 1,581,786	\$ 4,871,585
Contract services	2,562,012	2,409,677	15,386	12,985	212,914	162,611	2,585,273
Utilities	452,636	469,429	-	-	273,072	289,626	725,708
Maintenance materials and supplies	1,187,514	1,431,939	4,742	3,952	620,730	564,717	1,812,986
Grants and contributions	2,074,907	2,223,037	(10,713)	(11,584)	(1,454,658)	(1,605,936)	2,000,608
Amortization	1,951,133	1,869,453	-	-	566,605	590,236	605,517
Interest on long term debt	49,917	69,377	-	-	-	-	2,459,689
Other	639,774	728,706	281	298	94,506	111,125	69,377
<b>Total expenses</b>	<b>\$ 12,190,463</b>	<b>\$ 12,496,035</b>	<b>\$ 9,696</b>	<b>\$ 5,651</b>	<b>\$ 1,912,184</b>	<b>\$ 1,694,165</b>	<b>\$ 14,195,851</b>
<b>Surplus (Deficit)</b>	<b>\$ 1,353,441</b>	<b>\$ 1,109,621</b>	<b>\$ (5,998)</b>	<b>\$ (2,732)</b>	<b>\$ (384,920)</b>	<b>\$ (49,890)</b>	<b>\$ 1,056,999</b>

## SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

Year Ended December 31, 2015

	2015							2014 Total
	General Reserve	Machinery Reserve	Fire Reserve	Public Land Reserve	Civic Bldgs Reserve	Gas Tax Reserve	Watson Arts Reserve	
<b>REVENUE</b>								
Investment income	\$ 78,075	\$ 11,518	\$ 16,287	\$ 2,024	\$ 6,214	\$ 23,786	\$ 124	
<b>TRANSFERS</b>								
Transfers from general operating fund	388,283	250,000	25,000	-	25,000	424,386	4,389	
Transfers to general operating fund	(161,834)	-	-	-	-	-	-	
Transfers from utility operating fund	-	-	-	-	-	-	-	
Transfers to utility operating fund	-	-	-	-	-	-	-	
Acquisition of tangible capital assets	(191,268)	(229,879)	(136,599)	-	-	(383,515)	-	
<b>CHANGE IN RESERVE FUND BALANCES</b>	113,256	31,639	(95,312)	2,024	31,214	64,657	4,513	
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	2,955,919	422,430	597,352	74,254	227,914	749,317	4,557	
<b>FUND SURPLUS, END OF YEAR</b>	\$ 3,069,175	\$ 454,069	\$ 502,040	\$ 76,278	\$ 259,128	\$ 813,974	\$ 9,070	
	<b>Recreation Reserve</b>	<b>Special Events Reserve</b>	<b>Snow &amp; Ice Reserve</b>	<b>Enviro. Stewardship Reserve</b>	<b>Water &amp; Sewer Reserve</b>	<b>2015 Total</b>	<b>2014 Total</b>	
<b>REVENUE</b>								
Investment income	\$ 12,687	\$ 490	\$ 2,813	\$ 5,552	\$ 10,859	\$ 170,429	\$ 104,673	
<b>TRANSFERS</b>								
Transfers from general operating fund	50,000	-	-	90,862	-	1,257,920	1,321,991	
Transfers to general operating fund	-	-	-	(20,000)	-	(181,834)	(1,372,812)	
Transfers from utility operating fund	-	-	-	-	311,184	311,184	50,000	
Transfers to utility operating fund	-	-	-	-	(14,900)	(14,900)	-	
Acquisition of tangible capital assets	-	-	-	-	(61,413)	(1,002,674)	(1,418,009)	
<b>CHANGE IN RESERVE FUND BALANCES</b>	62,687	490	2,813	76,414	245,730	540,125	(1,314,157)	
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	458,427	17,976	103,168	229,785	420,715	6,261,814	7,575,971	
<b>FUND SURPLUS, END OF YEAR</b>	\$ 521,114	\$ 18,466	\$ 105,981	\$ 306,199	\$ 666,445	\$ 6,801,939	\$ 6,261,814	

CITY OF DAUPHIN

SCHEDULE OF TRUST FUNDS  
Year Ended December 31, 2015

SCHEDULE 7

	Name of Trust	Name of Trust	Name of Trust	Name of Trust	Name of Trust	Name of Trust	Name of Trust	Name of Trust	2015	Total	2014
<b>ASSETS</b>											
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Portfolio investments	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCES</b>											
Due to Municipality	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance	-	-	-	-	-	-	-	-	-	-	-
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>REVENUES</b>											
Contributions and donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-	-	-	-	-	-	-	-
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>											
Cemetery maintenance	-	-	-	-	-	-	-	-	-	-	-
Distribution to beneficiaries	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>											
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCE, BEGINNING OF YEAR</b>											
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCE, END OF YEAR</b>											
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

Year Ended December 31, 2015

	<u>2015</u>	<u>2014</u>
<b>FINANCIAL ASSETS</b>		
Amounts receivable	\$ 358,187	\$ 335,698
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 174,323	\$ 203,132
Long-term debt (Note 9)	455,988	569,332
Other	949,000	584,337
	<u>\$ 1,579,311</u>	<u>\$ 1,356,801</u>
<b>NET DEBT</b>	<u>\$ (1,221,124)</u>	<u>\$ (1,021,103)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 14,088,621	\$ 13,592,799
Inventories for use	153,337	165,829
Prepaid expenses	11,078	19,837
	<u>14,253,036</u>	<u>13,778,465</u>
<b>FUND SURPLUS</b>	<u>\$ 13,031,912</u>	<u>\$ 12,757,362</u>

**COMMITMENTS AND CONTINGENCIES (Notes 10)**

**CITY OF DAUPHIN**  
**SCHEDULE OF UTILITY OPERATIONS**  
**For the Year Ended December 31, 2015**

**SCHEDULE 9**

	<u>Budget</u>	<u>2015</u>	<u>2014</u>
<b>REVENUE</b>			
<b>Water</b>			
Water fees	\$ 1,714,776	\$ 1,665,005	\$ 1,663,285
Bulk Water fees	48,300	56,022	46,893
sub-total- water	<u>1,763,076</u>	<u>1,721,027</u>	<u>1,710,178</u>
<b>Sewer</b>			
Sewer fees	436,760	425,072	425,118
Lagoon tipping fees	13,500	13,195	13,965
sub-total- sewer	<u>450,260</u>	<u>438,267</u>	<u>439,083</u>
<b>Property taxes</b>	-	-	-
<b>Government transfers</b>			
Capital	<u>585,029</u>	<u>410,411</u>	<u>879,670</u>
<b>Other</b>			
Hydrant rentals	2,000	2,000	2,000
Connection charges	25,000	26,000	25,000
Installation service	100,000	115,040	165,015
Penalties	6,650	5,906	6,620
Administration fees	432,145	434,523	419,558
Gain (loss) on disposal of assets	-	-	-
Other income	4,000	3,738	23,265
sub-total- other	<u>569,795</u>	<u>587,207</u>	<u>641,458</u>
<b>Total revenue</b>	<u>\$ 3,368,160</u>	<u>\$ 3,156,912</u>	<u>\$ 3,670,389</u>

**CITY OF DAUPHIN**  
**SCHEDULE OF UTILITY OPERATIONS (cont'd)**  
**For the Year Ended December 31, 2015**

**SCHEDULE 9**

<b>EXPENSES</b>	<u>Budget</u>	<u>2015</u>	<u>2014</u>
<b>General</b>			
Administration	\$ 603,592	\$ 405,658	\$ 386,543
Training costs	24,500	31,800	14,232
Billing and collection	18,206	16,979	21,448
Utilities (telephone, electricity, etc.)	5,200	5,968	5,034
sub-total- general	<u>651,498</u>	<u>460,405</u>	<u>427,257</u>
<b>Water General</b>			
Purification and treatment	765,556	720,105	828,919
Transmission and distribution	361,500	301,847	394,129
Transportation services	60,000	52,884	58,170
Water supply	118,121	86,714	87,140
Connection costs	24,900	27,846	28,074
Other expenses	62,590	61,554	94,654
sub-total- water general	<u>1,392,667</u>	<u>1,250,950</u>	<u>1,491,086</u>
<b>Water Amortization &amp; Interest</b>			
Amortization	510,284	510,284	487,450
Interest on long term debt	30,705	30,065	40,969
sub-total- water amortization & interest	<u>540,989</u>	<u>540,349</u>	<u>528,419</u>
<b>Sewer General</b>			
Collection system costs	119,450	104,177	82,187
Treatment and disposal cost	105,741	100,422	194,010
Lift Station costs	68,243	52,840	44,934
sub-total- sewer general	<u>293,434</u>	<u>257,439</u>	<u>321,131</u>
<b>Sewage Amortization &amp; Interest</b>			
Amortization	184,098	184,098	173,123
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>184,098</u>	<u>184,098</u>	<u>173,123</u>
<b>Total expenses</b>	<u>3,062,686</u>	<u>2,693,241</u>	<u>2,941,016</u>
<b>NET OPERATING SURPLUS</b>	305,474	463,671	729,373
<b>TRANSFERS</b>			
Eliminating PSAB entries	-	45,751	45,876
Transfer from general operating	35,227	-	-
Transfers from (to) reserve funds	100,000	(234,871)	619,114
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>\$ 440,701</u>	274,551	1,394,363
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<u>12,757,362</u>	<u>11,362,999</u>
<b>FUND SURPLUS, END OF YEAR</b>		<u>\$ 13,031,913</u>	<u>\$ 12,757,362</u>

## RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

Year Ended December 31, 2015

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
<b>REVENUE</b>								
Property taxes	\$ 5,742,542	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,742,542
Grants in lieu of taxation	355,257	-	-	-	-	-	-	355,257
User fees	1,464,166	-	-	-	(446,190)	-	947,133	1,965,109
Grants - Province of Manitoba	1,902,147	-	-	-	-	-	110,665	2,012,812
Grants - other	429,840	-	-	-	-	-	398,345	828,185
Permits, licences and fines	182,000	-	-	-	-	-	3,632	185,632
Investment income	33,500	-	-	-	-	-	8,378	41,878
Other revenue	851,700	-	-	-	(574,220)	-	43,647	321,127
Water and sewer	-	3,421,520	-	-	(53,360)	-	-	3,368,160
Transfers from General Fund	-	35,227	-	-	(35,227)	-	-	-
Transfers from debenture	-	-	-	-	-	-	-	-
Transfers from reserves	20,000	150,000	-	-	(170,000)	-	-	-
Total revenue	<b>\$ 10,981,152</b>	<b>\$ 3,606,747</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,278,997)</b>	<b>\$ -</b>	<b>\$ 1,511,800</b>	<b>\$ 14,820,702</b>
<b>EXPENSES</b>								
General government services	\$ 1,250,889	\$ -	\$ 130,317	\$ 18,652	\$ 25,000	\$ -	\$ 11,576	\$ 1,436,434
Protective services	2,724,373	-	99,884	-	(53,360)	-	-	2,770,897
Transportation services	1,616,462	-	1,044,145	-	(252,500)	-	215,650	2,623,757
Environmental health services	861,035	-	88,897	-	(150,000)	12,682	-	812,614
Public health and welfare services	34,249	-	3,128	-	-	-	56,250	93,627
Regional planning and development	153,242	-	-	-	-	-	-	153,242
Resource cons and industrial dev	434,639	-	7,660	1,972	-	-	-	444,271
Recreation and cultural services	1,685,205	-	449,324	-	110,656	-	1,090,007	3,335,192
Water and sewer services	-	2,381,289	694,382	30,705	(43,690)	-	-	3,062,686
Fiscal services:								
Transfer to Utility	35,227	-	-	-	(35,227)	-	-	-
Transfer to capital	1,091,846	1,031,409	-	-	(2,123,255)	-	-	-
Debt charges	152,576	144,049	-	(296,625)	-	-	-	-
Transfer to reserves	916,409	50,000	-	-	(966,409)	-	-	-
Allowance for tax assets	-	-	-	-	(25,000)	-	-	-
Total expenses	<b>\$ 10,981,152</b>	<b>\$ 3,606,747</b>	<b>\$ 2,517,737</b>	<b>\$ (245,296)</b>	<b>\$ (3,513,785)</b>	<b>\$ 12,682</b>	<b>\$ 1,373,483</b>	<b>\$ 14,732,720</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,517,737)</b>	<b>\$ 245,296</b>	<b>\$ 2,234,788</b>	<b>\$ (12,682)</b>	<b>\$ 138,317</b>	<b>\$ 87,982</b>



**CITY OF DAUPHIN  
ANALYSIS OF TAXES ON ROLL  
Year Ended December 31, 2015**

**SCHEDULE 11**

	<u>2015</u>	<u>2014</u>
<b>Balance, beginning of year</b>	<b>\$ 405,873</b>	<b>\$ 385,982</b>
<b>Add:</b>		
Tax levy (Schedule 12)	10,568,349	10,235,643
Taxes added	80,841	106,529
Penalties or interest	81,071	71,496
Transfers and adjustments	130,437	135,329
<b>Sub-total</b>	<b>10,860,698</b>	<b>10,548,997</b>
<b>Deduct:</b>		
Cash collections - arrears	516,337	410,635
Cash collections - current	8,804,742	8,543,712
Writeoffs	34,126	28,627
Tax discounts	-	-
M.P.T.C. - cash advance	1,543,506	1,546,132
Other credits (Soldier Tax Credit)	-	-
<b>Sub-total</b>	<b>10,898,711</b>	<b>10,529,106</b>
<b>Balance, end of year</b>	<b>\$ 367,860</b>	<b>\$ 405,873</b>

CITY OF DAUPHIN  
ANALYSIS OF TAX LEVY  
Year Ended December 31, 2015

SCHEDULE 12

	2015			2014
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
LI.D.	319,813,140	0.119	\$ 38,058	\$ 37,622
Other (At Large)	263,244,650	0.533	140,309	1,247,344
Reserves:				
Equipment replacement	263,244,650	0.894	235,341	234,809
Fire Equipment replacement	263,244,650	0.090	23,692	70,726
Recreation	263,244,650	0.179	47,121	47,065
Civic Building	263,244,650	0.090	23,692	23,661
General Municipal				
At Large	263,244,650	19.322	5,086,413	3,804,527
Special Levy	263,244,650	0.043	11,320	11,316
School Division not rateable property			(31,181)	(24,412)
Business tax			17,777	16,106
<b>Total municipal taxes (Schedule 2)</b>			<b>5,592,542</b>	<b>5,468,764</b>
Education support levy	64,679,840	11.610	750,933	734,395
Special levy:				
Mountain View School Division	245,532,400	17.080	4,193,693	4,008,072
MVSD - not rateable property			31,181	24,412
<b>Total education taxes</b>			<b>4,975,807</b>	<b>4,766,879</b>
<b>Total tax levy (Schedule 11)</b>			<b>\$ 10,568,349</b>	<b>\$ 10,235,643</b>

**SCHEDULE 13**

**CITY OF DAUPHIN  
ANALYSIS OF SCHOOL ACCOUNTS  
Year Ended December 31, 2015**

	2015			2014	
	Opening Balance	Current Requirement	Current Payment	Ending Balance	Ending Balance
<b>Education support levy</b>	\$ 35,310	\$ 899,000	\$ (900,148)	\$ 34,162	\$ 35,310
<b>Special levies</b>	114,418	4,510,294	(4,508,804)	115,908	114,418
Mountain View School Division					
<b>Total</b>	<u>\$ 149,728</u>	<u>\$ 5,409,294</u>	<u>\$ (5,408,952)</u>	<u>\$ 150,070</u>	<u>\$ 149,728</u>

## SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2015

	2015 Actual	2014 Actual
<b>General government services:</b>		
Legislative	\$ 98,978	\$ 95,780
General administrative	764,510	723,933
Other	250,860	258,016
Allowance for Tax Assets	25,000	25,000
Amortization	130,317	129,699
	<u>1,269,665</u>	<u>1,232,428</u>
<b>Protective services:</b>		
Police	1,978,233	1,739,111
Fire	458,994	439,974
Emergency measures	3,792	9,635
Other	220,328	227,007
Amortization	99,884	77,718
	<u>2,761,231</u>	<u>2,493,445</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	498,978	497,618
Road and street maintenance	659,733	738,738
Bridge maintenance	1,167	1,330
Sidewalk and boulevard maintenance	89,865	94,071
Street lighting	168,470	165,284
Other	(123,467)	48,493
Amortization	912,708	890,036
Air transport	107,943	134,462
	<u>2,315,397</u>	<u>2,570,032</u>
<b>Environmental health services:</b>		
Waste collection and disposal	592,553	552,896
Recycling	123,375	91,416
Amortization	88,897	87,895
	<u>804,825</u>	<u>732,207</u>
<b>Public health and welfare services:</b>		
Public Health	95,268	-
Social assistance	33,749	33,749
	<u>129,017</u>	<u>33,749</u>
<b>Regional planning and development</b>		
Planning and zoning	14,492	2,737
Urban renewal	-	-
Beautification and land rehabilitation	98,369	94,089
Urban area weed control	2,553	8,432
Other	11,711	11,854
	<u>127,125</u>	<u>117,112</u>
<b>Resource conservation and industrial development</b>		
Veterinary services	11,646	11,646
Regional development	-	-
Tourism	120,216	125,698
Other	207,059	268,460
Amoritzation	7,660	6,248
	<u>346,581</u>	<u>412,052</u>
<b>Recreation and cultural services:</b>		
Community centers and halls	36,012	79,311
Other recreational facilities	1,528,272	1,708,061
Museums	47,400	47,400
Libraries	114,413	111,938
Amoritzation	17,284	17,284
	<u>1,743,381</u>	<u>1,963,994</u>
<b>Total expenses</b>	<u>\$ 9,497,222</u>	<u>\$ 9,555,019</u>

**SCHEDULE OF L.U.D. OPERATIONS**  
**For the Year Ended December 31, 2015**

	<u>2015 Budget</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
<b>Revenue</b>			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
<b>Total revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenses</b>			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
<b>Total expenses</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net revenues (expenses)</b>	-	-	-
<b>Transfers:</b>			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
<b>Change in L.U.D. balances</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Unexpended balance, beginning of year</b>		<u>-</u>	<u>-</u>
<b>Unexpended balance, end of year</b>		<u>-</u>	<u>-</u>

CITY OF DAUPHIN  
 SCHEDULE OF DEBENTURES PENDING  
 Year Ended December 31, 2015

SCHEDULE 16

Authority	Purpose	Source of Funds	Authorized	Expended
13/2014	Aqueduct repair	Province of MB	468,750	367,820
14/2014	Brown Reservoir upgrades	Province of MB	281,250	281,250
			-	-
			-	-
			-	-
			-	-
			-	-
			<u>\$ 750,000</u>	<u>\$ 649,070</u>

CITY OF DAUPHIN

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)

December 31, 2015

SCHEDULE 17

	2015		2014
	General	Utility	Total
	\$ -	\$ -	\$ -
<b>MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT</b>			
<b>Adjustments for reporting under public sector accounting standards</b>			
<b>Adjustments resulting in increase to surplus</b>			
Eliminate expense - transfers to reserves	1,257,920	311,184	1,569,104
Eliminate expense - acquisitions of tangible capital assets	1,949,891	1,190,494	3,140,385
Eliminating entries between funds	46,039	(46,039)	-
Eliminate expense - principal portion of debenture debt	131,952	113,344	245,296
Increase revenue - accounting gain (loss) on sale of assets	390,889	-	390,889
Increase revenue - reserve funds interest	170,429	-	170,429
<b>Adjustments resulting in decrease to surplus</b>			
Increase expense - landfill liability expense	(12,682)	-	(12,682)
Increase expense - amortization of tangible capital assets	(1,256,750)	(694,383)	(1,951,133)
Eliminate revenue - transfers from reserves	(1,123,093)	(76,313)	(1,199,406)
Eliminate revenue - debenture proceeds	-	(334,616)	(334,616)
Eliminate revenue - proceeds on sale of assets (excluding arrears on Tax Sale properties)	(664,825)	-	(664,825)
	-	-	-
<b>Net Surplus (Deficit) Unconsolidated</b>	\$ 889,770	\$ 463,671	\$ 1,353,441
<b>Surplus (Deficit) of Consolidated entities</b>	(390,918)	-	(390,918)
<b>NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS</b>	\$ 498,852	\$ 463,671	\$ 962,523
			\$ 1,056,999