

CITY OF DAUPHIN

**Consolidated Financial Statements
For the Year Ended December 31, 2020**

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.

The Council is composed of individuals who are neither management nor employees of the Municipality. Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

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

Sharla Griffiths, BSc CE, CMMA
City Manager, City of Dauphin



INDEPENDENT AUDITOR'S REPORT

To the Mayor and members of Council of the
CITY OF DAUPHIN

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the City of Dauphin, which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, change in net financial assets, cash flows and supporting schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Dauphin as at December 31, 2020, and the results of its consolidated operations, change in net financial assets, cash flows and supporting schedules for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the City of Dauphin in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the City of Dauphin's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City of Dauphin to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City of Dauphin's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Dauphin's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City of Dauphin's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the City of Dauphin to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

June 21, 2021
Brandon, Manitoba


Chartered Professional Accountants

CITY OF DAUPHIN

Consolidated Financial Statements

For the Year Ended December 31, 2020

Consolidated Statement of Financial Position	6
Consolidated Statement of Operations	7
Consolidated Statement of Change in Net Financial Assets	8
Consolidated Statement of Cash Flows	9
Notes to the Consolidated Financial Statements	10
Schedule 1 - Consolidated Schedule of Tangible Capital Assets	20
Schedule 2 - Consolidated Schedule of Revenues	21
Schedule 3 - Consolidated Schedule of Expenses	22
Schedule 4 - Consolidated Statement of Operations by Program	23
Schedule 5 - Consolidated Details and Reconciliation to Core Government Results	25
Schedule 6 - Schedule of Change in Reserve Fund Balances	26
Schedule 7 - Schedule of L.U.D. Operations	27
Schedule 8 - Schedule of Financial Position for Utility	28
Schedule 9 - Schedule of Utility Operations	29
Schedule 10 - Reconciliation of the Financial Plan to the Budget	31
Schedule 11 - Analysis of Taxes on Roll	32
Schedule 12 - Analysis of Tax Levy	33
Schedule 13 - Schedule of General Operating Fund Expenses	34
Schedule 14 - Reconciliation of Annual Surplus	35

**CITY OF DAUPHIN
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2020**

	<u>2020</u>	<u>2019</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 13,329,405	\$ 12,075,525
Amounts receivable (Note 4)	1,793,120	2,084,044
Portfolio investments (Note 5)	259,218	255,178
Loans and advances	32,978	36,223
Inventories for resale (Note 6)	43,092	55,915
	<u>\$ 15,457,813</u>	<u>\$ 14,506,885</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 2,601,447	\$ 2,846,198
Severance and sick leave payable	410,860	406,941
Unearned revenue	178,342	273,674
Landfill closure and post closure liabilities (Note 8)	333,766	317,543
Long-term debt (Note 9)	859,151	906,699
	<u>\$ 4,383,566</u>	<u>\$ 4,751,055</u>
NET FINANCIAL ASSETS	<u>\$ 11,074,247</u>	<u>\$ 9,755,830</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 47,131,974	\$ 47,812,168
Inventories for use (Note 6)	259,715	234,734
Prepaid expenses	165,569	172,058
	<u>47,557,258</u>	<u>48,218,960</u>
ACCUMULATED SURPLUS (Note 14)	<u>\$ 58,631,505</u>	<u>\$ 57,974,790</u>

COMMITMENTS AND CONTINGENCIES (NOTE 10)

Approved on behalf of Council:

Al Dowhan - Mayor

Christian Laughland - Deputy Mayor

The accompanying notes are an integral part of these consolidated financial statements

CITY OF DAUPHIN
CONSOLIDATED STATEMENT OF OPERATIONS
Year Ended December 31, 2020

	<u>2020 Budget (Note 13)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
REVENUE			
Property taxes	\$ 6,215,788	\$ 6,150,335	\$ 6,127,599
Grants in lieu of taxation	396,466	400,086	402,827
User fees	1,842,193	1,481,563	1,919,990
Grants - Province of Manitoba	1,943,014	2,069,299	2,017,669
Grants - other	829,784	1,335,045	1,306,321
Permits, licences and fines	204,713	192,836	204,275
Investment income	56,987	324,959	376,641
Other revenue	520,922	453,454	600,430
Water and sewer	<u>3,999,807</u>	<u>2,983,790</u>	<u>2,929,218</u>
Total revenue (Schedules 2, 4 and 5)	<u>16,009,674</u>	<u>15,391,367</u>	<u>15,884,970</u>
EXPENSES			
General government services	1,372,189	1,306,854	1,317,740
Protective services	3,126,969	2,779,547	2,854,362
Transportation services	3,044,022	2,896,145	2,839,922
Environmental health services	914,035	1,013,715	942,062
Public health and welfare services	110,523	99,118	99,640
Regional planning and development	150,455	160,627	190,318
Resource conservation and industrial development	441,019	371,420	576,198
Recreation and cultural services	3,414,502	3,218,026	3,287,429
Water and sewer services	<u>2,988,944</u>	<u>2,889,777</u>	<u>3,107,127</u>
Total expenses (Schedules 3, 4 and 5)	<u>15,562,658</u>	<u>14,735,229</u>	<u>15,214,798</u>
ANNUAL SURPLUS	<u>\$ 447,016</u>	656,138	670,172
ADJUSTMENT FOR CHANGE IN PARTNERSHIP INTEREST (Note 12)		577	76,301
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>57,974,790</u>	<u>57,228,317</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 58,631,505</u>	<u>\$ 57,974,790</u>

The accompanying notes are an integral part of these consolidated financial statements

CITY OF DAUPHIN
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year Ended December 31, 2020

	<u>2020 Budget (Note 13)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
ANNUAL SURPLUS	\$ 447,016	\$ 656,138	\$ 670,172
Acquisition of tangible capital assets	(4,890,124)	(2,091,119)	(2,387,789)
Amortization of tangible capital assets	2,704,691	2,704,691	2,676,061
Adjustment for change in percentage of partnership (Note 12)	-	250	1,697
Loss (Gain) on sale of tangible capital assets	-	18,989	(63,787)
Proceeds on sale of tangible capital assets	-	47,959	107,000
Decrease (increase) in inventories for use	-	(24,981)	(23,632)
Decrease (increase) in prepaid expenses	-	6,490	(25,426)
	<u>(2,185,433)</u>	<u>662,279</u>	<u>284,124</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ (1,738,417)</u>	1,318,417	954,296
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>9,755,830</u>	<u>8,801,534</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 11,074,247</u>	<u>\$ 9,755,830</u>

The accompanying notes are an integral part of these consolidated financial statements

**CITY OF DAUPHIN
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2020**

	<u>2020</u>	<u>2019</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 656,138	\$ 670,172
Changes in non-cash items:		
Amounts receivable	290,924	(284,650)
Inventories	(12,158)	(35,326)
Prepays	6,490	(25,426)
Accounts payable and accrued liabilities	(244,751)	859,786
Severance and sick leave payable	3,919	(82,106)
Unearned revenue	(95,332)	101,380
Landfill closure and post closure liabilities	16,223	15,454
Loss (Gain) on sale of tangible capital asset	18,989	(63,787)
Amortization	2,704,691	2,676,061
	<u>3,345,133</u>	<u>3,831,558</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	47,959	107,000
Cash used to acquire tangible capital assets	(2,091,119)	(2,387,789)
	<u>(2,043,160)</u>	<u>(2,280,789)</u>
INVESTING TRANSACTIONS		
Adjustment for change in percentage of partnerships (Note 12)	250	1,697
Loans and advances repaid (advanced)	3,245	(221)
Purchase of portfolio investments	(4,040)	(21,889)
	<u>(545)</u>	<u>(20,413)</u>
FINANCING TRANSACTIONS		
Debt repayment to 3rd party	(47,548)	(45,536)
	<u>1,253,880</u>	<u>1,484,820</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS		
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>12,075,525</u>	<u>10,590,705</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 13,329,405</u>	<u>\$ 12,075,525</u>

The accompanying notes are an integral part of these consolidated financial statements

CITY OF DAUPHIN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020

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 Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Municipality 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 City of Dauphin does not have any controlled organizations.

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 (2020 - 50%)(2019 - 50%)
Parkland Regional Library Service (2020 - 21.16%)(2019 - 21.16%)
Dauphin Public Library (2020 - 78.46%)(2019 - 77.98%)
Dauphin Regional Airport Authority Inc. (2020 - 78.46%)(2019 - 78.46%)
Dauphin Recreation Services (2020 - 78.46%)(2019 - 78.46%)

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 Municipality held no funds in trust on December 31, 2020.

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.

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

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.

2. Significant Accounting Policies (continued)

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.

Unearned 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 amounts 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

Portfolio Investments (PS 3041)

In March 2012, as a result of the issuance of PS 3450 Financial Instruments, the Public Sector Accounting Board (PSAB) issued new PS 3041 Portfolio Investments, which revises and replaces PS 3030 Temporary Investments and PS 3040 Portfolio Investments. The main features of the new standard are:

- PS 3041 does not make a distinction between temporary and portfolio investments, and is cross referenced and conformed to the requirements of PS 3450.
- Investments previously within the scope of PS 3030, which are not cash equivalents, are now accounted for within the scope of PS 3041.

This Section is effective in the same period PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation and PS 3450 are adopted. PS 1201, PS 2601 and PS 3450 are to be adopted together and are effective for fiscal years beginning on or after April 1, 2019. Early adoption is permitted.

2. Significant Accounting Policies (continued)

m) Recent Accounting Pronouncements (continued)

Financial Instruments (PS 3450)

In June 2011, the Public Sector Accounting Board (PSAB) issued new PS 3450 Financial Instruments. The new standard establishes requirements for recognition, measurement, derecognition, presentation and disclosure of financial assets and financial liabilities, including derivatives. The main features of the new standard are:

- Financial instruments are classified into two measurement categories: fair value, or cost or amortized cost.
- Almost all derivatives, including embedded derivatives not closely related to the host contract, are measured at fair value.
- Portfolio investments in equity instruments quoted in an active market are measured at fair value.
- Other financial assets and financial liabilities are generally measured at cost or amortized cost.
- An entity may elect to measure any group of financial assets or financial liabilities (or both) at fair value when the entity has a risk management or investment strategy to manage those items on a fair value basis.
- Remeasurement gains and losses on financial instruments measured at fair value are reported in the statement of remeasurement gains and losses until the financial instrument is derecognized.
- Budget to actual comparisons are not required within the statement of remeasurement gains and losses.
- Financial liabilities are derecognized when, and only when, they are extinguished.
- Financial assets and financial liabilities are only offset and reported on a net basis if a legally enforceable right to set off the recognized amounts exists, and the entity intends to settle on a net basis or realize/settle the amounts simultaneously.

In May 2012, the transitional provisions for this Section were amended, effective at the time the standard is initially applied, to clarify that the measurement provisions are applied prospectively. Adjustments to previous carrying amounts are recognized in opening accumulated remeasurement gains or losses. Additionally, a new transitional provision has been added that applies to government organizations transitioning from the standards in Part V of the CPA Canada Handbook – Accounting with items classified as available for sale. Accumulated other comprehensive income (OCI) from items classified as available for sale is recognized in accumulated remeasurement gains or losses on transition.

In September 2015, the effective date for governments was extended by three years. PS 3450 is effective for fiscal years beginning on or after April 1, 2019. In the period that a public sector entity applies PS 3450, it also applies PS 1201, PS 2601 and PS 3041. Early adoption is permitted.

Asset Retirement Obligations, Proposed Section (PS 3280)

The Public Sector Accounting Board (PSAB) issued this Exposure Draft (ED) in March 2017 to propose a new Section on asset retirement obligations (ARO liabilities) and withdraw PS 3270 Solid Waste Landfill Closure and Post-Closure Liability. The main features of this ED include the following:

- ARO liabilities represent a legal obligation associated with the retirement of a tangible capital asset.
- Asset retirement costs increase the carrying amount of the related tangible capital asset and are expensed in a rational and systematic manner.
- Asset retirement costs are expensed when they are associated with an asset that is no longer in productive use.
- Subsequent measurement of the ARO liability results in either a change in the carrying amount of the related tangible capital asset or an expense. The accounting treatment depends on the nature of the remeasurement and whether the asset remains in productive use.
- ARO liabilities include costs directly attributable to retirement activities, such as post-retirement operation, maintenance and monitoring.
- The best method to estimate the liability is often a present value technique.

The section is proposed to be effective for fiscal years beginning on or after April 1, 2021. Earlier adoption is permitted.

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2020</u>	<u>2019</u>
Cash	\$ 4,563,492	\$ 3,558,777
Temporary Investments	<u>8,765,913</u>	<u>8,516,748</u>
	<u>\$ 13,329,405</u>	<u>\$ 12,075,525</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The City has designated \$11,387,109 (2019 - \$10,057,722) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances. Included in the reserve is cash of \$10,324,480 (2019 - \$10,042,913).

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2020</u>	<u>2019</u>
Taxes on roll (Schedule 11)	\$ 862,860	\$ 926,324
Government grants	148,871	125,874
Utility customers	331,768	340,521
Accrued interest	75,646	73,705
Organizations and individuals	340,006	625,892
Other governments	<u>122,991</u>	<u>100,677</u>
	1,882,142	2,192,993
Less allowances for doubtful amounts	<u>(89,022)</u>	<u>(108,949)</u>
	<u>\$ 1,793,120</u>	<u>\$ 2,084,044</u>

The City of Dauphin encourages property owners to prepay property taxes by using an electronic funds transfer program. As at December 31, 2020, the net taxes on roll balance outstanding is \$430,536 (\$677,843 - 2019).

5. Portfolio Investments

	<u>2020</u>	<u>2019</u>
Marketable securities:		
- Toronto Dominion Mutual Funds	\$ 257,678	\$ 253,848
Term Deposit	-	-
Other investments	<u>1,540</u>	<u>1,330</u>
	<u>\$ 259,218</u>	<u>\$ 255,178</u>

The aggregate market value of the marketable securities at December 31, 2020 is \$253,848 (2019 - \$253,848). Portfolio investments earned investment income of \$29,116 during the year and incurred an investment income in 2019 of \$29,116.

6. Inventories

Inventories for resale:

	<u>2020</u>	<u>2019</u>
Food and beverages	\$ 8,529	\$ 11,730
Fuel (Airport)	<u>34,563</u>	<u>44,185</u>
	<u>\$ 43,092</u>	<u>\$ 55,915</u>

Inventories for use:

Chemicals	33,175	30,195
Pipes and water supplies	170,953	154,222
Aggregate and other	<u>55,587</u>	<u>50,317</u>
	<u>\$ 259,715</u>	<u>\$ 234,734</u>

7. Accounts Payable and Accrued Liabilities

	<u>2020</u>	<u>2019</u>
Accounts payable and accrued expenses	\$ 1,011,456	\$ 1,831,907
Prepaid taxes	432,324	248,481
Accrued interest payable	3,184	3,362
School levies	221,648	207,039
Other governments	932,835	555,409
	<u>\$ 2,601,447</u>	<u>\$ 2,846,198</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>2020</u>	<u>2019</u>
Estimated closure and post closure costs over the next 31 years	\$ 910,275	\$ 910,275
Discount rate	3.75%	3.75%
Discounted costs	\$ 422,617	\$ 407,341
Expected year capacity will be reached	2039	2039
Capacity (tonnes):		
Used to date	975,381	962,771
Remaining	<u>259,652</u>	<u>272,262</u>
Total	1,235,033	1,235,033
Percent utilized	<u>78.98%</u>	77.96%
Liability based on percentage	<u>\$ 333,766</u>	<u>\$ 317,543</u>

9. Long-Term Debt

	<u>2020</u>	<u>2019</u>
General Authority:		
Debenture, interest at 4.75%, payable at \$3,614 annually including interest, maturing December, 2031	<u>\$ 30,418</u>	<u>\$ 32,489</u>
Utility Funds:		
Debenture, interest at 4.75%, payable at \$29,447 annually including interest, maturing December, 2031	247,841	264,714
Debenture, interest at 4.75%, payable at \$5,780 annually including interest, maturing December, 2031	48,650	51,962
Debenture, interest at 4.125%, payable at \$27,365 annually including interest, maturing December, 2035	301,615	315,948
Debenture, interest at 4.125%, payable at \$20,925 annually including interest, maturing December, 2035	<u>230,627</u>	<u>241,586</u>
	<u>\$ 828,733</u>	<u>\$ 874,210</u>
	<u>\$ 859,151</u>	<u>\$ 906,699</u>

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

2021	49,647
2022	51,841
2023	54,133
2024	56,525
2025	59,025
Subsequent years	<u>587,980</u>
	<u>\$ 859,151</u>

Schedule of Debenture Pending

Authority	Purpose	Amount Authorized
None Pending		\$ -

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 2020 totalled \$1,729,448 (2019 - \$1,797,546).

Ottenbreit Sanitation Services (2002) Ltd.

In September 2016, the City of Dauphin has negotiated a non-exclusive 10 year contract with Ottenbreit Sanitation Services (2002) Ltd. for the collection, processing and sale of residential recyclables. Annual charges under the contract are determined by recycling weights collected and the number of containers in service. Recycling charges under the contract in 2020 were \$214,782 (2019 - \$217,147).

Gold Business Solutions

Beginning November 1, 2017, the City of Dauphin entered into a five (5) year photocopier contract with Gold Business Solutions. The contract with Gold Business Solutions is for the lease, service and maintenance of four (4) Kyocera photocopiers at various City of Dauphin locations. Annual lease charges under this contract are fixed at \$5,478 while service and maintenance charges are determined by the prints produced. Copier charges under the contract in 2020 were \$9,602 (2019 - \$9,999).

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 are expected to be \$607,855 (2019 - \$578,482) 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, 2019 indicated the plan was 99.7% funded on a going concern basis and had an unfunded solvency liability of \$288.8 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, 2019.

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.

12. Adjustment for Change in Partnership Interest

The City of Dauphin has formed 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, 2020, the City of Dauphin's funding responsibility and partnership interests were adjusted as follows:

Dauphin Public Library. - 78.46% from 77.98%

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, 2020 has been adjusted to accumulated surplus and the prior year figures have not been restated.

13. 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.

14. Accumulated Surplus

	<u>2020</u>	<u>2019</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	540,463	540,463
Utility operating fund - Nominal surplus	39,511	39,511
TCA tax sale properties included in nominal surplus	(27,031)	(71,329)
TCA net of related borrowings	34,643,040	34,922,297
Landfill closure & post closure liability	(333,766)	(317,543)
Reserve fund surplus	<u>11,387,109</u>	<u>10,057,722</u>
Accumulated surplus of municipality unconsolidated	46,249,326	45,171,121
Accumulated surpluses of consolidated entities	<u>12,382,179</u>	<u>12,803,669</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 58,631,505</u>	<u>\$ 57,974,790</u>

15. Public Sector Compensation Disclosure

It is a requirement of the *Public Sector Compensation Disclosure Act* that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$75,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2020:

- a) Compensation paid to members of council amounted to \$116,555 in aggregate.
- b) There were no members of council receiving compensation in excess of \$75,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor Allen Dowhan	\$ 31,888	\$ 1,061	\$ 32,949
Deputy Mayor Christian Laughland	12,985	25	13,010
Councillor Kerri Riehl	15,896	174	16,070
Councillor Katherine Bellemare	14,649	44	14,693
Councillor Patti Eilers	13,634	113	13,747
Councillor Rodney Juba	13,928	583	14,511
Councillor Devin Shtykalo	13,575	-	13,575
	<u>\$ 116,555</u>	<u>\$ 2,000</u>	<u>\$ 118,555</u>

- c) The following officers and employees received compensation in excess of \$75,000:

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Cameron Abrey</i>	<i>Fire Chief</i>	\$ 94,268
<i>Darrell Aitken</i>	<i>Engineering Technologist</i>	\$ 78,255
<i>Brian Baker</i>	<i>Economic Development Manager</i>	\$ 92,016
<i>Gavin Bernat</i>	<i>Mechanic 2</i>	\$ 75,328
<i>Bill Brenner</i>	<i>Director of PW & Operations</i>	\$ 117,628
<i>Scott Carr</i>	<i>Director of Finance</i>	\$ 103,008
<i>David Derkach</i>	<i>Building Inspector</i>	\$ 85,734
<i>Terry Genik</i>	<i>Public Works Foreman</i>	\$ 95,360
<i>Sharla Griffiths</i>	<i>City Manager</i>	\$ 128,054
<i>Jeff Hume</i>	<i>Utility Foreman</i>	\$ 85,097
<i>Oblin Negrette Sofan</i>	<i>Utility Operator Level 4</i>	\$ 78,793
<i>Jeff Weselowski</i>	<i>Utility Foreman - Const. & Maint.</i>	\$ 85,362

16. Subsequent Events

The City of Dauphin has been notified that due to new regulations for wastewater treatment, an upgrade is required to their wastewater treatment facility. Current costs are estimated to be approximately \$13,000,000. The City is currently working with Federal and Provincial partners to obtain grants to cover a portion of the costs; however, as of the date on these statements, no funding has been secured. 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 in the near future.

17. Trust Funds

The City of Dauphin does not currently administer any trusts.

18. Segmented Information

The City of Dauphin provides a wide range 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
- Resource Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

Revenue 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 consolidated financial statements as described in the summary of significant accounting policies.

19. 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:

	2020	2019
Financial Position		
Financial Assets	\$ 1,534,376	\$ 1,343,633
Liabilities	783,003	526,397
Net financial assets	\$ 751,373	\$ 817,236
Non-financial assets	11,630,806	11,986,433
Accumulated surplus	<u>\$ 12,382,179</u>	<u>\$ 12,803,669</u>
Result of Operations		
Revenue	\$ 1,146,630	\$ 1,467,657
Expenses	1,568,697	1,840,491
Annual surplus (deficit)	<u>\$ (422,067)</u>	<u>\$ (372,834)</u>

20. Public Utilities Board

The Public Utilities Board (PUB) regulates the rates charged by all water and wastewater utilities, except the City of Winnipeg Utility and wholesale water rates set by the Manitoba Water Services Board. The PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. The PUB's prescribed accounting policies on tangible or contributed capital assets and government transfers allow for adjustments to be made, for rate setting purposes, which do not meet PSAB standards.

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

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

The following table provides historical information on capital grants for tangible or contributed capital assets with a remaining Net Book Value.

Water services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Water Treatment Plant	\$ 2,856,745	\$ -	\$ 150,355	\$ 2,706,390
Industrial Park Water	169,463	-	5,496	163,967
Hydrant upgrades	537,869	-	17,492	520,377
Water meter upgrades	276,767	-	65,986	210,781
Aqueduct upgrades	274,494	-	7,861	266,633
Aqueduct upgrades	46,658	-	1,345	45,313
Brown Reservoir	202,744	-	34,266	168,478
	<u>\$ 4,364,740</u>	<u>\$ -</u>	<u>\$ 282,801</u>	<u>\$ 4,081,939</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Lagoon Cell 1 Upgrades	\$ 117,000	\$ -	\$ 3,250	\$ 113,750
Lagoon Cell 2 Upgrades	134,956	-	3,648	131,308
Lagoon Cell 6 Upgrades	240,671	-	6,333	234,338
Low Pressure Sewer	91,186	-	1,861	89,325
South End Sewer Upgrades	48,896	-	859	48,037
South End Sewer Upgrades	693,462	-	11,973	681,489
Lift Station upgrades	-	64,357	-	64,357
	<u>\$ 1,326,171</u>	<u>\$ 64,357</u>	<u>\$ 27,924</u>	<u>\$ 1,362,604</u>

21. 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.

22. COVID-19 impact on operations

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the federal, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. The Municipality's operations were impacted by COVID-19 due to closure of facilities to the public for normal operations. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Municipality as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

23. Comparative figures

Certain comparative figures have been reclassified to conform with the current year presentation.

CITY OF DAUPHIN
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2020

SCHEDULE 1

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2020	2019
Cost										
Opening costs	\$ 7,673,846	\$ 20,605,062	\$ 9,896,353	\$ 277,087	\$ 314,741	\$ 36,352,874	\$ 31,631,747	\$ 132,182	\$ 106,883,892	\$ 104,955,400
Additions during the year	142,623	352,959	726,905	17,045	187,451	474,755	616,574	93,834	\$ 2,612,146	2,387,789
Change in ownership percentage	-	-	804	24	-	-	-	-	\$ 828	140,786
Disposals and write downs	(44,298)		(106,621)	(1,163)	(380,964)	(29,037)	(7,324)	(140,063)	\$ (709,470)	(600,083)
Closing costs	\$ 7,772,171	\$ 20,958,021	\$ 10,517,441	\$ 292,993	\$ 121,228	\$ 36,798,592	\$ 32,240,997	\$ 85,953	\$ 108,787,396	\$ 106,883,892
Accumulated Amortization										
Opening accum'd amortization	1,806,711	10,504,236	5,906,715	272,898	-	23,347,906	17,233,258	-	\$ 59,071,724	56,886,351
Amortization	120,762	433,665	558,983	4,872	-	804,381	782,028	-	\$ 2,704,691	2,676,061
Change in ownership percentage	-	-	486	16	-	-	-	-	\$ 502	66,182
Disposals and write downs	-		(85,121)	(1,163)	-	(29,037)	(6,174)	-	\$ (121,495)	(556,870)
Closing accum'd amortization	\$ 1,927,473	\$ 10,937,901	\$ 6,381,063	\$ 276,623	\$ -	\$ 24,123,250	\$ 18,009,112	\$ -	\$ 61,655,422	\$ 59,071,724
Net Book Value of Tangible Capital Assets	\$ 5,844,698	\$ 10,020,120	\$ 4,136,378	\$ 16,370	\$ 121,228	\$ 12,675,342	\$ 14,231,885	\$ 85,953	\$ 47,131,974	\$ 47,812,168

CITY OF DAUPHIN
CONSOLIDATED SCHEDULE OF REVENUES
Year Ended December 31, 2020

SCHEDULE 2

	2020	2019
	Actual	Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 6,090,788	\$ 6,036,375
Taxes added	59,547	91,224
	6,150,335	6,127,599
Grants in lieu of taxation:		
Federal government	41,883	42,748
Provincial government	338,084	344,357
Other municipal governments	20,119	15,722
	400,086	402,827
User fees		
Parking meters	-	-
Sales of service	1,027,687	1,426,763
Sales of goods	169,259	232,102
Rentals	273,231	255,134
Development charges	11,386	5,991
	1,481,563	1,919,990
Grants - Province of Manitoba		
Municipal operating grants	1,584,935	1,584,935
Other unconditional grants	-	-
Conditional grants	484,364	432,734
	2,069,299	2,017,669
Grants - other		
Federal government - gas tax funding	450,391	897,720
Federal government - other	548,224	83,669
Other municipal governments	336,430	324,932
	1,335,045	1,306,321
Permits, licences and fines		
Permits	53,452	55,152
Licences	92,685	103,005
Fines	46,699	46,118
	192,836	204,275
Investment income:		
Cash and temporary investments	314,595	349,513
Marketable securities	6,876	21,774
Customer charges	3,488	5,354
	324,959	376,641
Other revenue:		
Gain on sale of tangible capital assets	-	63,787
Insurance and other rebates	109,676	91,880
Donations	170,783	259,307
Expenses recovered	43,618	53,517
Penalties and interest	122,070	121,117
Other	7,307	10,822
	453,454	600,430
Water and sewer (Schedule 9)	2,983,790	2,929,218
Total revenue	\$ 15,391,367	\$ 15,884,970

CONSOLIDATED SCHEDULE OF EXPENSES
Year Ended December 31, 2020

	2020 Actual	2019 Actual
General government services:		
Legislative	\$ 116,554	\$ 123,441
General administrative	819,173	824,099
Other	371,127	370,200
	<u>1,306,854</u>	<u>1,317,740</u>
Protective services:		
Police	1,918,774	1,955,721
Fire	670,475	677,737
Emergency measures	10,003	8,476
Other protection	180,295	212,428
	<u>2,779,547</u>	<u>2,854,362</u>
Transportation services:		
Road transport		
Administration and engineering	527,126	541,736
Road and street maintenance	728,972	706,075
Bridge maintenance	2,232	1,623
Sidewalk and boulevard maintenance	191,959	142,340
Street lighting	169,205	167,990
Other	880,439	867,134
Air transport	396,212	413,024
	<u>2,896,145</u>	<u>2,839,922</u>
Environmental health services:		
Waste collection and disposal	790,412	718,575
Recycling	223,303	223,487
	<u>1,013,715</u>	<u>942,062</u>
Public health and welfare services:		
Public health	65,369	65,891
Social assistance	33,749	33,749
	<u>99,118</u>	<u>99,640</u>
Regional planning and development		
Planning and zoning	1,827	4,720
Urban renewal	-	-
Beautification and land rehabilitation	144,692	155,915
Urban area weed control	7,563	7,705
Other	6,545	21,978
	<u>160,627</u>	<u>190,318</u>
Resource conservation and industrial development		
Veterinary services	7,678	10,778
Tourism	90,499	96,657
Other	273,243	468,763
	<u>371,420</u>	<u>576,198</u>
Recreation and cultural services:		
Community centers and halls	48,862	51,088
Other recreational facilities	2,771,086	2,858,693
Museums	50,352	49,578
Libraries	347,726	328,070
	<u>3,218,026</u>	<u>3,287,429</u>
Water and sewer services (Schedule 9)	<u>2,889,777</u>	<u>3,107,127</u>
Total expenses	<u>\$ 14,735,229</u>	<u>\$ 15,214,798</u>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2020

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE										
Property taxes	\$ 6,150,335	\$ 6,127,599	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	400,086	402,827	-	-	-	-	-	-	-	-
User fees	236,845	230,575	194,114	286,771	198,078	251,107	373,261	375,961	61,627	69,138
Prov of MB - Unconditional Grants	645,145	645,145	939,790	939,790	-	-	-	-	-	-
Prov of MB - Conditional Grants	29,164	-	4,178	2,936	4,978	6,558	240,784	224,378	-	-
Grants - other	989,811	902,617	-	-	44,823	47,893	-	-	-	-
Permits, licences and fines	103,529	112,744	87,963	88,360	-	-	-	-	-	-
Investment income	309,304	335,586	-	-	7,802	10,922	-	-	6,876	29,116
Other revenue	235,022	212,111	37,288	119,349	55,547	76,899	56,226	14,000	969	1,246
Water and sewer	-	-	-	-	-	-	-	-	-	-
Total revenue	\$ 9,099,241	\$ 8,969,204	\$ 1,263,333	\$ 1,437,206	\$ 311,228	\$ 393,379	\$ 670,271	\$ 614,339	\$ 69,472	\$ 99,500
EXPENSES										
Personnel services	\$ 667,681	\$ 628,339	\$ 571,330	\$ 603,368	\$ 976,754	\$ 1,015,260	\$ 255,012	\$ 234,937	\$ 36,670	\$ 38,373
Contract services	86,370	119,335	1,658,293	1,761,186	430,319	295,908	266,468	260,695	39,991	39,903
Utilities	49,753	54,363	40,382	40,849	204,060	209,788	7,436	8,566	2,099	2,408
Maintenance materials & supplies	84,434	136,254	145,649	136,720	539,897	556,713	26,112	10,580	8,099	6,777
Grants and contributions	52,946	34,607	-	-	17,914	20,369	62,282	64,546	-	-
Amortization	106,707	105,358	151,899	118,283	1,153,844	1,147,715	74,706	80,882	11,405	11,405
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	258,963	239,484	211,994	193,956	(426,643)	(405,831)	321,699	281,856	854	774
Total expenses	\$ 1,306,854	\$ 1,317,740	\$ 2,779,547	\$ 2,854,362	\$ 2,896,145	\$ 2,839,922	\$ 1,013,715	\$ 942,062	\$ 99,118	\$ 99,640
Surplus (Deficit)	\$ 7,792,387	\$ 7,651,464	\$ (1,516,214)	\$ (1,417,156)	\$ (2,584,917)	\$ (2,446,543)	\$ (343,444)	\$ (327,723)	\$ (29,646)	\$ (140)

* 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, 2020

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,150,335	\$ 6,127,599
Grants in lieu of taxation	-	-	-	-	-	-	-	-	400,086	402,827
User fees	-	-	10,000	10,000	407,638	696,438	-	-	1,481,563	1,919,990
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	1,584,935	1,584,935
Prov of MB - Conditional Grants	47,425	49,970	-	5,958	157,835	142,934	-	-	484,364	432,734
Grants - other	-	-	4,404	78,772	296,007	277,039	-	-	1,335,045	1,306,321
Permits, licences and fines	-	-	-	-	1,344	3,171	-	-	192,836	204,275
Investment income	-	-	-	-	977	1,017	-	-	324,959	376,641
Other revenue	3,200	706	-	7,540	65,202	168,579	-	-	453,454	600,430
Water and sewer	-	-	-	-	-	-	2,983,790	2,929,218	2,983,790	2,929,218
Total revenue	\$ 50,625	\$ 50,676	\$ 14,404	\$ 102,270	\$ 929,003	\$ 1,289,178	\$ 2,983,790	\$ 2,929,218	\$ 15,391,367	\$ 15,884,970
EXPENSES										
Personnel services	\$ 12,575	\$ 14,331	\$ 209,937	\$ 186,946	\$ 1,467,638	\$ 1,571,581	\$ 956,460	\$ 978,503	\$ 5,154,057	\$ 5,271,638
Contract services	119,019	138,751	3,833	19,213	253,196	246,419	206,744	289,174	3,064,233	3,170,584
Utilities	-	-	3,722	4,788	252,058	287,388	107,858	122,113	667,368	730,263
Maintenance materials & supplies	4,213	3,511	3,805	2,116	369,344	356,254	619,011	663,539	1,800,564	1,872,464
Grants and contributions	21,211	26,879	7,678	10,778	436,792	379,583	-	-	598,823	536,762
Amortization	-	-	27,720	27,720	396,382	401,859	782,028	782,839	2,704,691	2,676,061
Interest on long term debt	-	-	1,535	1,629	-	-	37,870	39,795	39,405	41,424
Other	3,609	6,846	113,190	323,008	42,616	44,345	179,806	231,164	706,088	915,602
Total expenses	\$ 160,627	\$ 190,318	\$ 371,420	\$ 576,198	\$ 3,218,026	\$ 3,287,429	\$ 2,889,777	\$ 3,107,127	\$ 14,735,229	\$ 15,214,798
Surplus (Deficit)	\$ (110,002)	\$ (139,642)	\$ (357,016)	\$ (473,928)	\$ (2,289,023)	\$ (1,998,251)	\$ 94,013	\$ (177,909)	\$ 656,138	\$ 670,172

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

Year Ended December 31, 2020

	Core Government		Controlled Entities		Government Partnerships		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE								
Property taxes	\$ 6,150,335	\$ 6,127,599	\$ -	\$ -	\$ -	\$ -	\$ 6,150,335	\$ 6,127,599
Grants in lieu of taxation	400,086	402,827	-	-	-	-	400,086	402,827
User fees	885,991	1,012,755	-	-	595,572	907,235	1,481,563	1,919,990
Prov of MB - Unconditional Grants	1,584,935	1,584,935	-	-	-	-	1,584,935	1,584,935
Prov of MB - Conditional Grants	342,146	287,917	-	-	142,218	144,817	484,364	432,734
Grants - other	994,215	981,389	-	-	340,830	324,932	1,335,045	1,306,321
Permits, licences and fines	191,492	201,104	-	-	1,344	3,171	192,836	204,275
Investment income	309,304	335,586	-	-	15,655	41,055	324,959	376,641
Other revenue	402,443	553,983	-	-	51,011	46,447	453,454	600,430
Water and sewer	2,983,790	2,929,218	-	-	-	-	2,983,790	2,929,218
Total revenue	\$ 14,244,737	\$ 14,417,313	\$ -	\$ -	\$ 1,146,630	\$ 1,467,657	\$ 15,391,367	\$ 15,884,970
EXPENSES								
Personnel services	\$ 3,551,941	\$ 3,563,678	\$ -	\$ -	\$ 1,602,116	\$ 1,707,960	\$ 5,154,057	\$ 5,271,638
Contract services	2,790,255	2,912,595	-	-	273,978	257,989	3,064,233	3,170,584
Utilities	400,927	428,574	-	-	266,441	301,689	667,368	730,263
Maintenance materials and supplies	1,331,246	1,404,259	-	-	469,318	468,205	1,800,564	1,872,464
Grants and contributions	2,220,036	2,022,199	-	-	(1,621,213)	(1,485,437)	598,823	536,762
Amortization	2,194,235	2,157,676	-	-	510,456	518,385	2,704,691	2,676,061
Interest on long term debt	39,405	41,424	-	-	-	-	39,405	41,424
Other	638,487	843,902	-	-	67,601	71,700	706,088	915,602
Total expenses	\$ 13,166,532	\$ 13,374,307	\$ -	\$ -	\$ 1,568,697	\$ 1,840,491	\$ 14,735,229	\$ 15,214,798
Surplus (Deficit)	\$ 1,078,205	\$ 1,043,006	\$ -	\$ -	\$ (422,067)	\$ (372,834)	\$ 656,138	\$ 670,172

CITY OF DAUPHIN
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 Year Ended December 31, 2020

SCHEDULE 6

	2020						
	General Reserve	Machinery Reserve	Fire Reserve	Public Land Reserve	Civic Bldgs Reserve	Gas Tax Reserve	Watson Arts Reserve
REVENUE							
Investment income	\$ 112,254	\$ 19,791	\$ 14,253	\$ 2,363	\$ 13,051	\$ 42,102	\$ 916
TRANSFERS							
Transfers from general operating fund	895,195	250,000	75,000	-	100,000	450,391	4,107
Transfers to general operating fund	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-
Transfers from reserve fund	-	-	-	-	-	-	-
Transfers to reserve fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	(85,358)	(282,710)	(39,055)	(87,000)	(59,441)	(422,339)	-
CHANGE IN RESERVE FUND BALANCES	922,091	(12,919)	50,198	(84,637)	53,610	70,154	5,023
FUND SURPLUS, BEGINNING OF YEAR	4,241,341	714,909	514,844	85,361	363,470	1,520,807	33,069
FUND SURPLUS, END OF YEAR	<u>\$ 5,163,432</u>	<u>\$ 701,990</u>	<u>\$ 565,042</u>	<u>\$ 724</u>	<u>\$ 417,080</u>	<u>\$ 1,590,961</u>	<u>\$ 38,092</u>
	Recreation Reserve	Special Events Reserve	Snow & Ice Reserve	Enviro. Stewardship Reserve	Water & Sewer Reserve	2020 Total	2019 Total
REVENUE							
Investment income	\$ 18,573	\$ -	\$ 3,283	\$ 11,677	\$ 41,129	\$ 279,392	\$ 272,441
TRANSFERS							
Transfers from general operating fund	50,000	-	-	-	-	1,824,693	1,870,391
Transfers to general operating fund	-	-	-	-	-	-	(37,868)
Transfers from utility operating fund	-	-	-	-	324,411	324,411	50,000
Transfers to utility operating fund	-	-	-	-	-	-	-
Transfers from reserve fund	-	-	-	-	-	-	-
Transfers to reserve fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	(28,935)	-	-	(75,733)	(18,538)	(1,099,109)	(1,210,913)
CHANGE IN RESERVE FUND BALANCES	39,638	-	3,283	(64,056)	347,002	1,329,387	944,051
FUND SURPLUS, BEGINNING OF YEAR	670,900	-	118,600	403,559	1,390,862	10,057,722	9,113,671
FUND SURPLUS, END OF YEAR	<u>\$ 710,538</u>	<u>\$ -</u>	<u>\$ 121,883</u>	<u>\$ 339,503</u>	<u>\$ 1,737,864</u>	<u>\$ 11,387,109</u>	<u>\$ 10,057,722</u>

SCHEDULE OF L.U.D. OPERATIONS

For the Year Ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
Total revenue	-	-	-
Expenses			
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	-	-	-
Total expenses	-	-	-
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
Change in L.U.D. balances	-	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		-	-

SCHEDULE OF FINANCIAL POSITION FOR UTILITY
Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
FINANCIAL ASSETS		
Amounts receivable	\$ 331,768	\$ 340,521
LIABILITIES		
Accounts payable and accrued liabilities	\$ 235,111	\$ 352,320
Long-term debt (Note 9)	828,733	874,210
Other	276,419	159,010
	<u>\$ 1,340,263</u>	<u>\$ 1,385,540</u>
NET DEBT	<u>\$ (1,008,495)</u>	<u>\$ (1,045,019)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 14,317,838	\$ 14,530,671
Inventories for use	204,127	184,417
Prepaid expenses	15,145	25,901
	<u>14,537,110</u>	<u>14,740,989</u>
FUND SURPLUS	<u>\$ 13,528,615</u>	<u>\$ 13,695,970</u>

COMMITMENTS AND CONTINGENCIES (Note 10)

SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2020

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
REVENUE			
Water			
Water fees	\$ 1,724,000	\$ 1,711,533	\$ 1,722,789
Bulk Water fees	40,000	63,386	38,962
sub-total- water	<u>1,764,000</u>	<u>1,774,919</u>	<u>1,761,751</u>
Sewer			
Sewer fees	452,000	448,812	450,659
Lagoon tipping fees	14,000	10,900	17,430
sub-total- sewer	<u>466,000</u>	<u>459,712</u>	<u>468,089</u>
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Province of Manitoba	<u>1,096,943</u>	<u>61,300</u>	<u>5,917</u>
Other			
Hydrant rentals	2,000	2,000	2,000
Connection charges	22,000	20,525	19,925
Installation service	160,000	174,663	145,228
Penalties	6,250	5,900	6,480
Administration fees	476,500	476,916	475,678
Other income	6,114	7,855	44,150
sub-total- other	<u>672,864</u>	<u>687,859</u>	<u>693,461</u>
Total revenue	<u>\$ 3,999,807</u>	<u>\$ 2,983,790</u>	<u>\$ 2,929,218</u>

CITY OF DAUPHIN
SCHEDULE OF UTILITY OPERATIONS (cont'd)
For the Year Ended December 31, 2020

SCHEDULE 9

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
EXPENSES			
General			
Administration	\$ 422,026	\$ 419,202	\$ 409,215
Training costs	25,145	20,252	23,978
Billing and collection	19,730	19,095	19,074
Utilities (telephone, electricity, etc.)	5,100	4,239	4,903
Loss on disposal of assets	-	1,149	-
sub-total- general	<u>472,001</u>	<u>463,937</u>	<u>457,170</u>
Water General			
Purification and treatment	722,150	744,680	722,295
Transmission and distribution	324,100	270,658	417,995
Transportation services	60,600	55,263	63,993
Water supply	67,125	67,363	137,234
Connection costs	24,450	25,113	36,580
Other expenses	110,000	99,469	80,561
sub-total- water general	<u>1,308,425</u>	<u>1,262,546</u>	<u>1,458,658</u>
Water Amortization & Interest			
Amortization	553,053	553,053	548,390
Capital Expenditure	-	-	-
Interest on long term debt	38,040	37,870	39,795
sub-total- water amortization & interest	<u>591,093</u>	<u>590,923</u>	<u>588,185</u>
Sewer General			
Collection system costs	148,350	129,158	139,074
Treatment and disposal cost	171,100	161,756	154,231
Lift Station costs	69,000	52,482	75,360
sub-total- sewer general	<u>388,450</u>	<u>343,396</u>	<u>368,665</u>
Sewage Amortization & Interest			
Amortization	228,975	228,975	234,449
Capital Expenditure	-	-	-
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>228,975</u>	<u>228,975</u>	<u>234,449</u>
Total expenses	<u>2,988,944</u>	<u>2,889,777</u>	<u>3,107,127</u>
NET OPERATING SURPLUS	1,010,863	94,013	(177,909)
TRANSFERS			
Eliminating PSAB entries	12,932	9,278	8,329
Transfers from general operating	35,227	35,227	35,227
Transfers from (to) reserve funds	<u>(50,000)</u>	<u>(305,873)</u>	<u>111,048</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ 1,009,022</u>	(167,355)	(23,305)
FUND SURPLUS, BEGINNING OF YEAR		<u>13,695,970</u>	<u>13,719,275</u>
FUND SURPLUS, END OF YEAR		<u>\$ 13,528,615</u>	<u>\$ 13,695,970</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

Year Ended December 31, 2020

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 6,215,788	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,215,788
Grants in lieu of taxation	396,466	-	-	-	-	-	-	396,466
User fees	1,323,440	-	-	-	(375,000)	-	893,753	1,842,193
Grants - Province of Manitoba	1,831,386	-	-	-	-	-	111,628	1,943,014
Grants - other	505,291	-	-	-	-	-	324,493	829,784
Permits, licences and fines	201,300	-	-	-	-	-	3,413	204,713
Investment income	47,500	-	-	-	-	-	9,487	56,987
Other revenue	517,557	-	-	-	(10,000)	-	13,365	520,922
Water and sewer	-	4,053,167	-	-	(53,360)	-	-	3,999,807
Transfers from General Fund	-	35,227	-	-	(35,227)	-	-	-
Transfers from reserves	60,000	-	-	-	(60,000)	-	-	-
Total revenue	\$ 11,098,728	\$ 4,088,394	\$ -	\$ -	\$ (533,587)	\$ -	\$ 1,356,139	\$ 16,009,674
EXPENSES								
General government services	\$ 1,309,797	\$ -	\$ 106,707	-	\$ (44,315)	\$ -	\$ -	\$ 1,372,189
Protective services	3,028,430	-	151,899	-	(53,360)	-	-	3,126,969
Transportation services	1,812,907	-	1,153,844	-	(145,257)	-	222,528	3,044,022
Environmental health services	943,106	-	74,706	-	(120,000)	16,223	-	914,035
Public health and welfare services	33,749	-	11,405	-	-	-	65,369	110,523
Regional planning and development	150,455	-	-	-	-	-	-	150,455
Resource cons and industrial dev	411,756	-	27,720	1,543	-	-	-	441,019
Recreation and cultural services	1,942,957	-	396,382	-	44,550	-	1,030,613	3,414,502
Water and sewer services	-	2,209,304	782,028	38,040	(40,428)	-	-	2,988,944
Fiscal services:								
Transfer to Utility	35,227	-	-	-	(35,227)	-	-	-
Transfer to capital	366,013	1,745,573	-	-	(2,111,586)	-	-	-
Debt charges	3,614	83,517	-	(87,131)	-	-	-	-
Transfer to reserves	1,035,717	50,000	-	-	(1,085,717)	-	-	-
Allowance for tax assets	25,000	-	-	-	(25,000)	-	-	-
Total expenses	\$ 11,098,728	\$ 4,088,394	\$ 2,704,691	\$ (47,548)	\$ (3,616,340)	\$ 16,223	\$ 1,318,510	\$ 15,562,658
Surplus (Deficit)	\$ -	\$ -	\$ (2,704,691)	\$ 47,548	\$ 3,082,753	\$ (16,223)	\$ 37,629	\$ 447,016

**CITY OF DAUPHIN
ANALYSIS OF TAXES ON ROLL
Year Ended December 31, 2020**

SCHEDULE 11

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 677,843	\$ 610,316
Add:		
Tax levy (Schedule 12)	11,398,691	11,243,993
Taxes added	59,547	91,224
Penalties or interest	122,070	121,117
Transfers and adjustments	28,508	36,833
Sub-total	11,608,816	11,493,167
Deduct:		
Cash collections - arrears	705,863	552,848
Cash collections - current	9,292,033	9,412,188
Tax sale property acquired	-	17,901
Taxes cancelled	30,367	17,996
Tax discounts	-	-
E.P.T.C. - cash advance	1,395,536	1,424,707
Other credits (Soldier Tax Credit)	-	-
Sub-total	11,423,799	11,425,640
Balance, end of year	\$ 862,860	\$ 677,843

ANALYSIS OF TAX LEVY

Year Ended December 31, 2020

	2020			2019
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
L.I.D.	390,474,690	0.096	\$ 37,485	\$ 37,409
Other (At Large)	322,323,280	-	\$ -	-
Reserves:				
Equipment Replacement	322,323,280	0.731	\$ 235,618	235,091
Fire Equipment Replacement	322,323,280	0.220	\$ 70,911	70,735
Recreation	322,323,280	0.147	\$ 47,382	47,256
Civic Building	322,323,280	0.293	\$ 94,441	94,215
General Municipal				
At Large	322,323,280	17.421	\$ 5,615,194	5,564,906
Special Levy	-	-	\$ -	-
School Division not rateable property			\$ (31,078)	(33,871)
Business tax			<u>20,835</u>	<u>20,634</u>
Total municipal taxes (Schedule 2)			<u>6,090,788</u>	<u>6,036,375</u>
Education support levy	94,335,410	8.828	832,793	839,647
Special levy:				
Mountain View School Division	301,699,360	14.730	4,444,032	4,334,100
MVSD - not rateable property			<u>31,078</u>	<u>33,871</u>
Total education taxes			<u>5,307,903</u>	<u>5,207,618</u>
Total tax levy (Schedule 11)			<u>\$ 11,398,691</u>	<u>\$ 11,243,993</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2020

	2020 Actual	2019 Actual
General government services:		
Legislative	\$ 116,554	\$ 123,441
General administrative	819,173	824,099
Other	239,420	239,842
Allowance for Tax Assets	25,000	25,000
Amortization	106,707	105,358
	<u>1,306,854</u>	<u>1,317,740</u>
Protective services:		
Police	1,918,774	1,955,721
Fire	518,576	559,454
Emergency measures	10,003	8,476
Other	180,295	212,428
Amortization	151,899	118,283
	<u>2,779,547</u>	<u>2,854,362</u>
Transportation services:		
Road transport		
Administration and engineering	527,126	541,736
Road and street maintenance	728,972	706,075
Bridge maintenance	2,232	1,623
Sidewalk and boulevard maintenance	191,959	142,340
Street lighting	169,205	167,990
Other	(150,075)	(154,958)
Amortization	1,030,514	1,022,092
Air transport	83,168	94,560
	<u>2,583,101</u>	<u>2,521,458</u>
Environmental health services:		
Waste collection and disposal	715,706	637,693
Recycling	223,303	223,487
Amortization	74,706	80,882
	<u>1,013,715</u>	<u>942,062</u>
Public health and welfare services:		
Public Health	-	-
Social assistance	33,749	33,749
	<u>33,749</u>	<u>33,749</u>
Regional planning and development		
Planning and zoning	1,827	4,720
Urban renewal	-	-
Beautification and land rehabilitation	144,692	155,915
Urban area weed control	7,563	7,705
Other	6,545	21,978
	<u>160,627</u>	<u>190,318</u>
Resource conservation and industrial development		
Veterinary services	7,678	10,778
Regional development	-	-
Tourism	90,499	96,657
Other	245,523	441,043
Amortization	27,720	27,720
	<u>371,420</u>	<u>576,198</u>
Recreation and cultural services:		
Community centers and halls	43,432	45,818
Other recreational facilities	1,765,980	1,595,854
Museums	50,352	49,578
Libraries	147,317	119,542
Amortization	20,661	20,501
	<u>2,027,742</u>	<u>1,831,293</u>
Total expenses	<u>\$ 10,276,755</u>	<u>\$ 10,267,180</u>

CITY OF DAUPHIN

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS

December 31, 2020

	General	2020 Utility	Total	2019 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ -	\$ -	\$ -	\$ (8,838)
Adjustments for reporting under public sector accounting standards				
Adjustments resulting in increase to surplus				
Eliminate expense - transfers to reserves	1,824,693	324,411	2,149,104	1,920,391
Eliminate expense - acquisitions of tangible capital assets	1,364,032	570,345	1,934,377	2,278,600
Eliminating entries between funds	44,505	(44,505)	-	-
Eliminate expense - principal portion of debenture debt	2,071	45,477	47,548	45,536
Increase revenue - accounting gain (loss) on sale of assets	(17,839)	(1,149)	(18,988)	63,787
Increase revenue - reserve funds interest	279,392	-	279,392	272,442
Adjustments resulting in decrease to surplus				
Increase expense - landfill liability expense	(16,223)	-	(16,223)	(15,454)
Increase expense - amortization of tangible capital assets	(1,412,207)	(782,028)	(2,194,235)	(2,157,676)
Eliminate revenue - transfers from reserves	(1,080,571)	(18,538)	(1,099,109)	(1,248,782)
Eliminate revenue - debenture proceeds	-	-	-	-
Eliminate revenue - proceeds on sale of assets (net of tax title cost)	(3,661)	-	(3,661)	(107,000)
Net Surplus Unconsolidated	\$ 984,192	\$ 94,013	\$ 1,078,205	\$ 1,043,006
Surplus (Deficit) of Consolidated entities	(422,067)	-	(422,067)	(372,834)
NET SURPLUS PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 562,125	\$ 94,013	\$ 656,138	\$ 670,172