

City of Portage la Prairie

**Consolidated Financial Statements
For the Year Ended December 31, 2021**

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the *City of Portage la Prairie* 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.

BDO Canada LLP as the City'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 City in accordance with Canadian Public Sector Accounting Standards.



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Director of Corporate Services



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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the
City of Portage la Prairie

Report on the Audit of the Consolidated Financial Statements

We have audited the consolidated financial statements of the City of Portage la Prairie (the "City"), which comprise the consolidated statement of financial position as at December 31, 2021, 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 at December 31, 2021, 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 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.

Restated Comparative Information

Without modifying our opinion we draw attention to Note 24 of the consolidated financial statements, which describes that certain comparative financial information presented for the year ended December 31, 2020 have been restated.

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'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 to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City'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.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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'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'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 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 City 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 the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Brandon, Manitoba
June 14, 2022

City of Portage la Prairie
Consolidated Financial Statements
For the Year Ended December 31, 2021

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City of Portage la Prairie
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2021

	<u>2021</u>	<u>2020</u> (Restated - Note 26)
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 61,137,107	\$ 49,750,254
Amounts receivable (Note 4)	13,529,035	5,044,814
Portfolio investments (Note 5)	267,084	118,948
Other inventories for sale (Note 6)	255	255
	<u>\$ 74,933,481</u>	<u>\$ 54,914,271</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 8,191,892	\$ 7,235,087
Unearned revenue	914,511	359,698
Landfill closure and post closure liabilities (Note 8)	108,201	84,937
Long-term debt (Note 10)	7,475,754	5,742,887
Obligations under capital lease	-	527
	<u>16,690,358</u>	<u>13,423,136</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 58,243,123</u>	<u>\$ 41,491,135</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 129,761,177	\$ 116,548,373
Inventories (Note 6)	363,754	362,873
Real estate properties for sale	373,411	373,411
Prepaid expenses	237,632	517,663
	<u>130,735,974</u>	<u>117,802,320</u>
ACCUMULATED SURPLUS (DEFICIT) (Note 18)	<u>\$ 188,979,097</u>	<u>\$ 159,293,455</u>

COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)

Approved on behalf of Council:



Mayor



Councillor

The accompanying notes and schedules are an integral part of this financial statement

City of Portage la Prairie
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2021

	2021 Budget (Note 16)	2021 Actual	2020 Actual (Restated - Note 26)
REVENUE			
Property taxes	\$11,374,776	\$ 11,549,155	\$ 11,653,932
Grants in lieu of taxation	838,680	838,674	873,480
User fees	3,315,270	3,536,420	3,897,181
Permits, licences and fines	333,375	561,847	395,047
Investment income	178,759	864,829	788,215
Other revenue	1,108,554	1,577,361	830,846
Water and sewer	12,837,925	26,505,509	12,947,897
Grants - Province of Manitoba	3,559,964	10,567,600	4,275,308
Grants - other	1,712,167	2,332,424	1,716,258
Total revenue (Schedules 2, 4 and 5)	<u>35,259,470</u>	<u>58,333,819</u>	<u>37,378,164</u>
EXPENSES			
General government services	2,632,560	2,731,480	2,198,201
Protective services	6,406,507	6,886,877	6,413,016
Transportation services	3,139,169	2,360,255	2,312,082
Environmental health services	1,328,697	1,268,400	1,251,754
Public health and welfare services	331,704	227,134	253,928
Regional planning and development	765,020	641,663	754,269
Resource conservation and industrial development	1,373,125	225,165	227,042
Recreation and cultural services	6,040,827	5,620,166	5,541,958
Water and sewer services	8,601,599	8,687,037	8,317,220
Total expenses (Schedules 3, 4 and 5)	<u>30,619,209</u>	<u>28,648,177</u>	<u>27,269,470</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ 4,640,261</u>	<u>29,685,642</u>	<u>10,108,694</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR (as previously reported)		159,293,455	149,683,199
Prior Period Adjustment (Note 26)		-	(498,438)
ACCUMULATED SURPLUS, BEGINNING OF YEAR (Restated)		<u>159,293,455</u>	<u>149,184,761</u>
ACCUMULATED SURPLUS, END OF YEAR		<u><u>\$ 188,979,097</u></u>	<u><u>\$ 159,293,455</u></u>

The accompanying notes and schedules are an integral part of this financial statement

City of Portage la Prairie
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2021

	<u>2021</u> <u>Budget</u> <u>(Note 17)</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u> (Restated - Note 26)
ANNUAL SURPLUS (DEFICIT)	<u>\$ 4,640,261</u>	<u>\$29,685,642</u>	<u>\$10,108,694</u>
Acquisition of tangible capital assets	(17,738,537)	(17,578,449)	(8,905,601)
Amortization of tangible capital assets	-	4,040,248	3,746,534
Loss (Gain) on sale of tangible capital assets	-	278,810	(549,356)
Proceeds on sale of tangible capital assets	-	46,586	768,830
Decrease (increase) in inventories	-	(881)	(57,283)
Decrease (increase) in prepaid expense	-	280,031	(221,905)
	<u>(17,738,537)</u>	<u>(12,933,654)</u>	<u>(5,218,781)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>(13,098,276)</u>	16,751,987	4,889,913
Prior Period Adjustment		-	(498,438)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>41,491,135</u>	<u>37,099,660</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$58,243,122</u>	<u>\$41,491,135</u>

The accompanying notes and schedules are an integral part of this financial statement

City of Portage la Prairie
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>
		(Restated - Note 26)
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 29,685,642	\$ 10,108,694
Changes in non-cash items:		
Amounts receivable	(8,484,221)	1,038,553
Inventories	(881)	(55,730)
Prepays	280,031	(221,905)
Other assets		
Accounts payable and accrued liabilities	956,805	792,355
Severance and sick leave payable		-
Unearned revenue	554,813	135,827
Landfill closure and post closure liabilities	23,264	51,543
Environmental liabilities		-
Other liabilities		-
Loss (Gain) on sale of tangible capital asset	278,810	(549,356)
Amortization	4,040,248	3,746,534
	<u>27,334,511</u>	<u>15,046,515</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	46,586	768,830
Cash used to acquire tangible capital assets	(17,578,449)	(8,905,601)
	<u>(17,531,863)</u>	<u>(8,136,771)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	(148,136)	3,017,934
Proceeds on sale of real estate properties	-	-
Loans and advances repaid	-	-
Purchase of portfolio investments	-	-
Acquisition of real estate properties	-	-
Loans and advances issued	-	-
	<u>(148,136)</u>	<u>3,017,934</u>
FINANCING TRANSACTIONS		
Net (repayments) borrowings from revolving line of credit	-	-
Proceeds of long-term debt	3,000,127	-
Debt repayment	(1,267,260)	(1,203,571)
Obligation under capital lease	(527)	(1,725)
Repayment of obligation under capital lease	-	-
	<u>1,732,341</u>	<u>(1,205,296)</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	11,386,853	8,722,382
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	49,750,254	41,027,872
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ 61,137,107	\$ 49,750,254

The accompanying notes are an integral part of this financial statement

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

1. Status of the City of Portage la Prairie

The incorporated City of Portage la Prairie (the "City") is a City that was created in 1907 pursuant to The Municipal Act. The City provides or funds municipal services such as police, fire, public works, planning, airport, parks and recreation, library and other general government operations. The City also 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 public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of 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 City. 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 City. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the City. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

Portage Handivan Inc.

- provides Handivan services to the residents of the City

The City has several partnership agreements in place, and as such, consistent with Canadian Public Sector Accounting Standards for government partnerships, the following local agencies, boards and commissions are accounted 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:

Portage la Prairie Planning District (66.67%) (2020 - 66.67%)

- provides development and sub-division planning services to the residents of the City.

Portage la Prairie Regional Landfill Authority (66.67%) (2020 - 66.67%)

- provides waste disposal services to the residents of the City

Portage la Prairie Regional Library (77.00%) (2020 - 77.00%)

- provides library services to the residents of the City

Portage Regional Recreation Authority Inc. (75.00%) (2020 - 75.00%)

- provides recreational, health and wellness services to the residents of the City

Portage Regional Economic Development (66.67%) (2020 - 66.67%)

- provides tourism, advertising and economic development services for the City

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

Trust funds and their related operations administered by the City are not consolidated in these consolidated financial statements.

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.

e) Real Estate Properties Held for Sale

Real estate properties held for sale are recorded at the lower of cost and net realizable value. Cost includes the amount of acquisition, legal fees, and improvements to prepare the properties for sale or servicing.

It is reasonably anticipated that real estate properties held for resale will be sold outside the reporting entity within one year of the balance sheet date.

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 (debt) 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 was not available have been recorded at current fair market value at the determination date discounted by a relevant inflation factor. Certain assets are reported at a nominal value as the determination of current fair market value was not available. The City 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 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	4 years

Infrastructure Assets

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

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the City, 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 or property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

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 consolidated 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.

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

Interest revenue is recognized when earned on the related investment balance.

Water and sewer revenue, permits, fees, fines and user fees are recognized when the related goods or service are provided to the customer and collection is reasonably assured.

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 consolidated financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the consolidated 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 consolidated 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 consolidated financial statement date. The estimate of the future cash flows and the closure date of the landfill are based upon the best estimates by management. The actual future cash flows and closure date may differ significantly.

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2021</u>	<u>2020</u>
Cash	\$ 61,137,107	\$ 49,750,254
Temporary investments	-	-
	<u>\$ 61,137,107</u>	<u>\$ 49,750,254</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The City has designated \$50,276,433 (2020 - \$40,252,758) 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>2021</u>	<u>2020</u>
Taxes on roll (Schedule 11)	\$ 1,105,286	\$ 1,212,367
Government grants	3,017	205,365
Utility customers	3,475,655	2,299,477
Organizations and individuals	8,493,092	1,160,849
Other governments	528,385	268,191
	<u>13,605,435</u>	<u>5,146,249</u>
Less allowances for doubtful amounts	<u>(76,400)</u>	<u>(101,435)</u>
	<u>\$ 13,529,035</u>	<u>\$ 5,044,814</u>

5. Portfolio Investments

	<u>2021</u>	<u>2020</u>
Guaranteed investment certificate and term deposits	<u>\$ 267,084</u>	<u>\$ 118,948</u>

The aggregate market value of the marketable securities at December 31, 2021 is \$267,084 (2020 - \$118,948). Portfolio investments earned \$4,140 in investment income during the year (2020 - \$32,945).

6. Inventories

Inventories for sale:

	<u>2021</u>	<u>2020</u>
Food and beverages	<u>\$ 255</u>	<u>\$ 255</u>

Inventories for use:

	<u>2021</u>	<u>2020</u>
Chemicals, herbicides, insecticides	\$ 302,102	\$ 283,258
Fuel	13,688	24,381
Other supplies	47,964	55,234
	<u>\$ 363,754</u>	<u>\$ 362,873</u>

7. Accounts Payable and Accrued Liabilities

	<u>2021</u>	<u>2020</u>
Accounts payable	\$ 2,307,781	\$ 2,549,725
Accrued expenses	1,827,810	1,806,903
Accrued interest payable	134,306	173,242
School levies	-	75
Other governments	3,776,120	2,569,587
Due to trusts	145,875	135,555
	<u>\$ 8,191,892</u>	<u>\$ 7,235,087</u>

8. Landfill Closure and Post Closure Liabilities

a) Operating Landfill Site

The City is currently operating a Class 1 landfill site in through the Portage la Prairie Regional Landfill Authority. 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.

	<u>2021</u>	<u>2020</u>
Estimated closure and post closure costs over the next 3 years (2020 - 4 years)	<u>\$ 276,014</u>	<u>\$ 226,011</u>
Discount rate	<u>5.25%</u>	<u>5.25%</u>
Discounted costs	<u>\$ 120,223</u>	<u>\$ 99,926</u>
Expected year capacity will be reached	<u>2024</u>	<u>2024</u>
Capacity (disclose in tonnes, volume, acreage, or years):		
Used to date	926,000	883,000
Remaining	108,000	151,000
Total	<u>1,034,000</u>	<u>1,034,000</u>
Percent utilized	<u>90%</u>	<u>85%</u>
Liability based on percentage	<u>\$ 108,201</u>	<u>\$ 84,937</u>

9. Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. The City:
 - is directly responsible; or
 - accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

The City has no liabilities for contaminated sites.

10. Long Term Debt

	<u>2021</u>	<u>2020</u>
General Authority:		
Debenture, interest at 5.500%, payable at \$697,379 annually including interest, maturing 2024	\$ 1,881,483	\$ 2,444,419
Debenture, interest at 5.500%, payable at \$298,877 annually including interest, maturing 2024	806,350	1,047,608
Debenture, interest at 5.500%, payable at \$159,400 annually including interest, maturing 2025	558,724	680,687
Debenture, interest at 5.250%, payable at \$146,966 annually including interest, maturing 2025	518,121	631,911
Debenture, interest at 5.500%, payable at \$145,952 annually including interest, maturing 2024	393,767	511,582
Debenture, interest at 5.250%, payable at \$19,595 annually including interest, maturing 2025	69,083	84,255
Debenture, interest at 5.250%, payable at \$19,595 annually including interest, maturing 2025	69,083	84,255
Debenture, interest at 5.500%, payable at \$9,963 annually including interest, maturing 2025	34,920	42,543
Debenture, interest at 5.500%, payable at \$9,963 annually including interest, maturing 2025	34,920	42,543
Debenture, interest at 5.250%, payable at \$9,798 annually including interest, maturing 2025	34,541	42,128
Debenture, interest at 5.500%, payable at \$8,468 annually including interest, maturing 2024	22,847	29,682
Loan payable, interest at 5.000%, payable at \$1,685 monthly including interest, maturing 2024	43,666	61,288
Loan payable, interest at 4.890%, payable at \$554 monthly including interest, maturing 2023	8,123	14,202
Debenture, interest at 1.950%, payable at \$616,000 annually including interest, maturing 2023	1,000,000	-
Debenture, interest at 2.600%, payable at \$170,860 annually including interest, maturing 2036	2,000,127	-
Debenture, interest at 5.375%, payable at \$19,760 annually including interest, repaid in the year	-	18,752
Debenture, interest at 5.375%, payable at \$7,410 annually including interest, repaid in the year	-	7,032
	\$ 7,475,754	\$ 5,742,887

10. Long Term Debt Continued

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

2022	\$	2,022,018
2023	\$	1,898,562
2024	\$	1,556,816
2025	\$	481,723
2026	\$	128,830
Thereafter	\$	1,387,805
	\$	<u>7,475,754</u>

11. Commitments

The City has a contract for janitorial services of approximately \$161,920 for 1 year ending September 1, 2022.

The City has a contract for the collection of residential solid waste of approximately \$1,574,134 for the period of August 1, 2019 to July 31, 2022.

The City has a contract for the provision of SCADA and PLC maintenance services for 1 year ending November 30, 2022.

The City has a contract for building maintenance services for 1 year ending November 30, 2022.

The City has a contract for the maintenance of green areas of approximately \$438,079 for 2 years ending October 31, 2023.

The City has a contract for by-law enforcement services of approximately \$111,090 for 2 years ending July 30, 2023.

The City has a contract for cell phone services for 3 years ending October 30, 2024.

The City has a contract for external audit services for 1 year ending December 31, 2022.

The City has a contract for a partnership funding agreement in respect of Portage Regional Economic Development to fund operating costs and IT services for 3 years ending December 31, 2024. The total value of the commitment is unknown until such time as the operating costs are incurred.

The City has a contract for banking services agreement for 2 years ending December 31, 2023.

The City has a contract for by-law, parking and animal control enforcement agreement of approximately \$257,220 for 2 years ending July 2023.

12. Contingencies

The City is in the process of negotiating a P3 project with the Federal and Provincial governments and various private industry partners to fund upgrades to the wastewater plant in order to improve higher standards for the management of effluent discharge. The agreement terms have not yet been finalized as of the financial statement date and discussions are ongoing.

During the year correspondence was received from the RCMP quantifying the value of backpay owing by the City, related to their contracted police services. The liability has been recorded at its estimated value however due to ongoing discussions and other uncertainties the final value of the payment required may differ from management's best estimate.

13. Retirement Benefits

The majority of the employees of the City 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 City on behalf of its employees are expected to be \$613,652 (2020 - \$597,658) 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.

14. Financial Instruments

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

15. Subsequent Events

Subsequent to the year-end, the City contracted for engineering services for Phase 1 of the Saskatchewan Ave West project. Municipal Board approval for Phase 1 and 2 of the project have been received. Government grant funding approval is pending.

Subsequent to the year-end, the City contracted a partnership organization servicing agreement for 3 years ending March 31, 2024.

Subsequent to the year-end, the City received Province of Manitoba funding approval for upgrade work at the Water Pollution Control Plant.

16. Budget

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the City 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.

17. Accumulated Surplus

	<u>2021</u>	<u>2020</u>
		(Restated - Note 26)
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 8,970,183	\$ 1,531,017
Utility operating fund(s) - Nominal surplus	3,195,934	3,350,287
TCA net of related borrowings	120,079,737	108,592,836
Reserve funds (Schedule 6)	<u>50,276,430</u>	<u>40,252,755</u>
Accumulated surplus of municipality unconsolidated	182,522,284	153,726,895
Accumulated surpluses of consolidated entities	<u>6,456,813</u>	<u>5,566,560</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 188,979,097</u>	<u>\$ 159,293,455</u>

18. Trust Funds

The City of Portage la Prairie administers the following trusts:

	Balance, beg. of the year	Excess (deficiency) of Receipts over Disbursements	Balance, end of the year
<i>Affordable Housing</i>	\$ -	\$ 1,139,055	\$ 1,139,055
<i>Bear Clan Donation</i>	-	3,764	3,764
<i>Cemetery Perpetual Trust</i>	335,732	13,676	349,408
<i>Centennial Community Club Inc.</i>	1,000	1,000	2,000
<i>Central Park Surplus</i>	98,995	1,516	100,511
<i>DARE Program</i>	1,056	19	1,075
<i>Fire Equipment</i>	13,710	1,005	14,715
<i>Golf Island Park</i>	6,921	(6,921)	-
<i>Heritage Committee Book Sales</i>	6,900	1,996	8,896
<i>Manitoba Hydro</i>	46,424	1,074	47,498
<i>Misc City Contributions</i>	-	-	-
<i>Northeast Community Family Care</i>	1,747	32	1,779
<i>West-end Development Trust</i>	23	1	24
<i>Willow Bay Paving In Trust</i>	4,676	85	4,761
	<u>\$ 517,184</u>	<u>\$ 1,156,303</u>	<u>\$ 1,673,487</u>

19. Segmented Information

The City of Portage la Prairie is a diversified municipal government institution that provides a wide ranges of services to its residents. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows with detailed financial data presented in Schedule 4.

General Government

General government relates to the revenue and expenses of the operations of the City itself that cannot be directly attributed to a specific segment. General Government includes Council indemnities, administration, legal, audit, assessment, taxation, elections, conventions, damage claims, liability insurance, and other government sundry.

Protective Services

Protection is comprised of fire protection, police contract, building inspection, emergency operations and animal control services.

Transportation Services

Transportation services is responsible for snow clearing, street cleaning and grading, dust abatement and maintenance of boulevards and parks as well as street lights and drainage along municipal roads.

Environmental Health

Environmental health includes services for waste disposal and pickup of materials for recycling.

Public Health and Welfare Services

Public health and welfare services provides social assistance to the residents of the City.

Regional Planning and Development

Regional planning and development includes operations of Portage la Prairie Planning District, which reviews development plans and makes recommendations on subdivision applications.

Resources Conservation and Industrial Development

Resource conservation and industrial development includes the operations of Portage Regional Economic Development, which is responsible for developing and marketing of the City, and tourism development.

Recreation and Cultural Services

Recreation and cultural services encompasses library and recreation authority operations to improve the health and development of local citizens.

Water and Sewer Services

The City provides utility services to its residents in the form of sales of water and wastewater treatment. The department also maintains the water and sewer utility, processing and cleaning sewage and ensuring the water and sewer systems meet all provincial standards.

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

20. Government Partnerships

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

	<u>2021</u>	<u>2020</u>
Financial Position		
Financial assets	\$ 5,171,535	\$ 3,905,597
Financial liabilities	<u>829,296</u>	<u>713,569</u>
Net financial assets (liabilities)	<u>4,342,239</u>	3,192,028
Non-financial assets	<u>1,958,112</u>	<u>2,241,839</u>
Accumulated surplus	<u><u>6,300,351</u></u>	<u><u>5,433,867</u></u>
Result of Operations		
Revenues	<u>3,317,613</u>	3,280,266
Expenses	<u>2,451,129</u>	<u>2,318,625</u>
Annual surplus	<u><u>\$ 866,484</u></u>	<u><u>\$ 961,641</u></u>

21. Contingent assets (PS 3320)

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 (PS 3320.03).

The existence of a contingent asset at the date of the consolidated financial statements must be disclosed when the occurrence of the confirming future event is likely, respecting that the sensitivity or confidentiality of the information is to be considered to avoid possible adverse effect.

Disclosures of the contingent assets should include the nature, including a description of the circumstances giving rise to the uncertainty and information about the anticipated resolution of the uncertainty; the extent, including an estimate of the amount or a range of passible amounts; the reason(s), if the extent can't be disclosed; and the basis for the estimate.

The Portage Regional Recreation Authority Inc. was awarded a settlement for the repairs required on the roof replacement, dehumidifier system and ensuring the steel beams are up to code of the Shindleman Aquatic Centre in conjunction with the City of Portage la Prairie and the Rural Municipality of Portage la Prairie. The portion of the settlement related to the consolidated entity has been reflected as other income in the consolidated financial statements.

22. Related party disclosures (PS 2200)

A related party exists when one party has the ability to exercise control or shared control over the other. Two or more parties are related when they are subject to common control or shared control. Related parties also include key management personnel and close family members and the entities they control.

Related Party Transactions are transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party. These transfers are related party transactions whether or not there is an exchange of considerations or transactions have been given accounting recognition. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.

Disclosure is generally required when:

- A transaction occurs between related parties at a value different from that which would have been arrived at if the parties were unrelated; and
- The transaction has or could have a material financial effect on the consolidated financial statements.

Determining which items to disclose is based on an assessment of the terms and conditions underlying the transactions, the financial materiality of the transactions, relevance of the information to the decisions of users, and the need for the information to enable users' understanding of the consolidated financial statements and for making comparisons to other entities.

As per PS 2200.17, the City should disclose the following where transaction meets the requirements for disclosure.

- Adequate information about the nature of the relationship with related parties involved in related party transactions;
- The types of related party transactions that have been recognized;
- The amounts of the transactions recognized classified by financial statement category;
- The basis of measurement used;
- The amount of outstanding balances and the terms and conditions attached to them;
- Contractual obligations with related parties, separate from other contractual obligations;
- Contingent liabilities involving related parties, separate from other contingent liabilities; and
- The types of related party transactions that have occurred for which no amount has been recognized.

23. 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 City 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 consolidated 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
Air Release/Yellowquill	\$ 54,022	\$ -	\$ 1,102	\$ 52,920
Industrial Park Watermain	384,979	-	8,555	376,424
Industrial Watermain & WTP	760,805	-	15,527	745,278
McKay Reservoir	282,827	-	11,091	271,736
Miscellaneous equipment	41,844	-	4,650	37,194
Water Study Pre-design	85,414	-	1,817	83,597
Water Supply Upgrades	778,027	-	16,554	761,473
Water Treatment Plant	1,734,433	-	44,473	1,689,960
Water Treatment Plant Upgrade	320,025	-	17,779	302,246
	<u>\$ 4,442,376</u>	<u>\$ -</u>	<u>\$ 121,548</u>	<u>\$ 4,320,828</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Phase 1 WPCF (LRAR)	\$ 26,883,086	\$ -	\$ 545,849	\$ 26,337,237
Phase 2 WPCF (LRAR)	710,064	3,500,000	-	4,210,064
Phase 2 WPCF (Plant Upgrade)	-	9,000,000	-	9,000,000
Sask Ave W Phase 1 Utility	-	1,401,264	-	1,401,264
SBR Lift Station	1,370,843	-	39,167	1,331,676
Wastewater Plant Study	101,700	-	2,164	99,536
	<u>\$ 29,065,693</u>	<u>\$ 13,901,264</u>	<u>\$ 587,180</u>	<u>\$ 42,379,777</u>

24. Comparative Figures

Certain comparative figures have been restated to conform to current year's presentation.

25. Financial Impact of COVID-19

During the fiscal year, the impact of COVID-19 in Canada and on the global economy increased significantly. COVID-19 has had a significant impact on businesses through the restrictions put in place by the Canadian federal, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact of the COVID-19 outbreak may have on the City 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.

26. Prior Period Adjustment

During the year information was received in regards to contract settlement and required backpay related to police services that the City contracts with the RCMP. This liability affects prior years and had not previously been accrued. Accordingly payroll and accounts payable were understated. The impact of this adjustment has been reflected as described below for the year ended December 31, 2020.

	Prior to Restatement	Restatement	Balance Restated
Accounts Payable	\$ 6,555,399	\$ 679,688	\$ 7,235,087
Accumulated Surplus - Opening	\$ 149,683,199	\$ (498,438)	\$ 149,184,762
Protective Services - Police	\$ 3,594,354	\$ 181,250	\$ 3,775,604

27. Public-Private Partnerships

A public-private partnership ("P3s") is a contractual agreement between a public authority and a private entity for the provision of infrastructure and/or services. The City's P3s are assessed based on the substance of the underlying agreement and are accounted as follows:

Costs incurred during construction or acquisition are recognized in the work-in-progress and liability balances based on the estimated percentage complete;

Construction costs, as well as the combined total of future payments, are recognized as a tangible capital asset and amortized over the useful life once the asset is in service; and

Sources of funds used to finance the tangible capital assets and future payments are classified based on the nature of the funds such as debt, grants and/or reserves.

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2021

	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	2021	2020
Cost										
Opening costs	\$ 9,797,229	\$ 47,519,199	\$ 8,319,709	\$ 661,046	\$ 2,817,237	\$ 21,690,121	\$ 137,673,513	\$ 4,255,013	\$ 232,733,067	\$ 220,540,475
Additions during the year	586,706	65,460	1,059,632	68,880	7,399,757	480,836	3,501,867	6,289,345	19,452,484	43,271,336
Transfer during the year	-	-	-	-	-	-	-	-	-	-
Disposals and write downs	(340,017)	(154,062)	(472,374)	(63,278)	(554,095)	-	(88,277)	(1,319,940)	(2,992,044)	(31,078,719)
Closing costs	10,043,918	47,430,598	8,906,967	666,647	9,662,899	22,170,957	141,087,103	9,224,418	249,193,508	232,733,092
Accumulated Amortization										
Opening accum'd amortization	3,948,604	15,820,612	4,495,822	550,796	-	3,909,694	87,459,187	-	116,184,714	112,459,529
Amortization	235,008	1,089,034	677,528	59,860	-	315,569	1,663,250	-	4,040,248	3,746,535
Disposals and write downs	(123,066)	(110,092)	(424,775)	(63,278)	-	-	(71,421)	-	(792,633)	(21,345)
Closing accum'd amortization	4,060,546	16,799,554	4,748,575	547,377	-	4,225,262	89,051,016	-	119,432,330	116,184,719
Net Book Value of Tangible Capital Assets	\$ 5,983,372	\$ 30,631,044	\$ 4,158,392	\$ 119,270	\$ 9,662,899	\$ 17,945,695	\$ 52,036,087	\$ 9,224,418	\$ 129,761,177	\$ 116,548,373

The City has 107 km of roads that are capitalized at a nominal value of \$1,920,487.

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2021

SCHEDULE 2

	2021 Actual	2020 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 11,374,857	\$ 11,068,092
Taxes added	179,596	590,792
Taxes discount	(5,298)	(4,952)
	<u>11,549,155</u>	<u>11,653,932</u>
Grants in lieu of taxation:		
Federal government	44,783	46,655
Federal government enterprises	-	-
Provincial government	559,880	548,281
Provincial government enterprises	234,011	278,544
Other municipal governments	-	-
Non-government organizations	-	-
	<u>838,674</u>	<u>873,480</u>
User fees		
Parking meters	36,058	48,025
Sales of service	3,197,476	3,595,372
Sales of goods	134,169	91,652
Rentals	168,717	162,132
Development charges	-	-
Facility use fees	-	-
Other (specify):	-	-
	<u>3,536,420</u>	<u>3,897,181</u>
Permits, licences and fines		
Permits	134,596	130,258
Licences	275,745	105,668
Fees	151,506	159,121
Fines	-	-
Other (specify):	-	-
	<u>561,847</u>	<u>395,047</u>
Investment income:		
Cash and temporary investments	864,829	788,215
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>864,829</u>	<u>788,215</u>
Other revenue:		
Gain (loss) on sale of tangible capital assets	(293,954)	(1,116)
Gain on sale of real estate held for sale	-	550,472
Contributed assets	-	-
Penalties and interest	95,331	71,980
Miscellaneous (specify): lawsuit proceeds	1,775,984	209,510
Other (specify):	-	-
	<u>1,577,361</u>	<u>830,846</u>
Water and sewer		
Municipal utility(ies) (Schedule 9)	26,505,509	12,947,897
Consolidated water co-operatives	-	-
	<u>26,505,509</u>	<u>12,947,897</u>
Grants - Province of Manitoba		
Municipal operating grants	1,084,947	1,881,354
Other unconditional grants	-	-
Conditional grants	9,482,653	2,393,954
Other (specify):	-	-
	<u>10,567,600</u>	<u>4,275,308</u>
Grants - other		
Federal government - gas tax funding	1,464,497	715,976
Federal government - other	310,549	458,708
Other municipal governments	557,378	541,574
Other (specify):	-	-
	<u>2,332,424</u>	<u>1,716,258</u>
Total revenue	<u>\$ 58,333,819</u>	<u>\$ 37,378,164</u>

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2021

SCHEDULE 3

	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
		(Restated - Note 26)
General government services:		
Legislative	\$ 260,410	\$ 265,121
General administrative	2,107,628	2,056,476
Other (specify):	<u>363,442</u>	<u>(123,396)</u>
	<u>2,731,480</u>	<u>2,198,201</u>
Protective services:		
Police	4,303,615	3,775,604
Fire	2,438,856	2,447,220
Emergency measures	77,984	120,961
Other (specify):	<u>66,422</u>	<u>69,231</u>
	<u>6,886,877</u>	<u>6,413,016</u>
Transportation services:		
Road transport		
Administration and engineering	208,506	255,821
Road and street maintenance	1,752,229	1,679,944
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	74,187	64,792
Street lighting	278,355	253,481
Other (specify):	-	-
Air transport	-	-
Public transit	46,978	58,044
Other (specify):	-	-
	<u>2,360,255</u>	<u>2,312,082</u>
Environmental health services:		
Waste collection and disposal	1,008,989	1,009,289
Recycling	259,411	242,465
Other (specify):	-	-
	<u>1,268,400</u>	<u>1,251,754</u>
Public health and welfare services:		
Public health	156,413	183,207
Medical care	-	-
Social assistance	70,721	70,721
Other (specify):	-	-
	<u>227,134</u>	<u>253,928</u>
Regional planning and development		
Planning and zoning	342,971	380,078
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	172,009	195,435
Other (specify):	<u>126,683</u>	<u>178,756</u>
	<u>641,663</u>	<u>754,269</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	208,899	162,825
Industrial development	4,336	68,711
Tourism	1,915	952
Other (specify):	<u>10,015</u>	<u>(5,446)</u>
	<u>225,165</u>	<u>227,042</u>
Sub-totals forward	<u>\$14,340,974</u>	<u>\$13,410,292</u>

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2021

SCHEDULE 3

	<u>2021 Actual</u>	<u>2020 Actual</u> (Restated - Note 26)
Sub-totals forward	<u>\$14,340,974</u>	<u>\$13,410,292</u>
Recreation and cultural services:		
Administration	3,115,745	2,960,320
Community centers and halls	72,900	72,900
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	6,040	5,449
Parks and playgrounds	479,062	441,141
Other recreational facilities	1,543,335	1,536,328
Museums	-	-
Libraries	323,617	466,070
Other cultural facilities	79,467	59,750
	<u>5,620,166</u>	<u>5,541,958</u>
Water and sewer services		
Municipal utility (Schedule 9)	8,687,037	8,317,220
Consolidated water co-operatives	-	-
	<u>8,687,037</u>	<u>8,317,220</u>
Total expenses	<u>\$ 28,648,177</u>	<u>\$ 27,269,470</u>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2021

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE										
Property taxes	\$ 11,549,155	\$ 11,653,932	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	838,674	873,480	-	-	-	-	-	-	-	-
User fees	133,531	191,950	793,315	707,579	22,923	16,000	1,371,195	1,507,792	84,753	48,252
Grants - other		-	-	-	1,503,099	756,031	-	-	-	-
Permits, licences and fines	176,627	182,113	385,220	212,934	-	-	-	-	-	-
Investment income	826,070	756,212	-	-	173	213	-	-	-	-
Other revenue	707,078	790,736	278,935	-	268	549	3,944	3,507	-	-
Water and sewer		-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	1,084,947	1,881,354	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	9,220,088	2,201,805	-	-	54,046	43,887	-	-	-	-
Total revenue	<u>\$ 24,536,170</u>	<u>\$ 18,531,582</u>	<u>\$ 1,457,470</u>	<u>\$ 920,513</u>	<u>\$ 1,580,509</u>	<u>\$ 816,680</u>	<u>\$ 1,375,139</u>	<u>\$ 1,511,299</u>	<u>\$ 84,753</u>	<u>\$ 48,252</u>
EXPENSES										
Personnel services	\$ 1,537,873	\$ 1,535,102	\$ 2,667,386	\$ 2,619,088	\$ 746,733	\$ 741,399	\$ 290,371	\$ 289,192	\$ 78,404	\$ 91,122
Contract services	279,723	213,680	3,782,825	3,286,137	70,400	14,456	689,295	685,775	84,411	84,574
Utilities	47,929	54,098	60,461	65,924	318,583	299,710	-	-	5,822	6,069
Maintenance materials and supplies	322,140	201,398	156,637	175,006	564,851	502,966	80,007	85,754	50,537	69,276
Grants and contributions	255,005	240,475	1,674	1,912	(33,400)	(28,000)	46,805	2,025	7,960	2,887
Amortization	47,252	46,120	202,555	203,870	685,607	779,137	122,268	122,914	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	241,558	(92,672)	15,339	61,079	7,481	2,414	39,654	66,094	-	-
Total expenses	<u>\$ 2,731,480</u>	<u>\$ 2,198,201</u>	<u>\$ 6,886,877</u>	<u>\$ 6,413,016</u>	<u>\$ 2,360,255</u>	<u>\$ 2,312,082</u>	<u>\$ 1,268,400</u>	<u>\$ 1,251,754</u>	<u>\$ 227,134</u>	<u>\$ 253,928</u>
Surplus (Deficit)	<u>\$ 21,804,690</u>	<u>\$ 16,333,381</u>	<u>\$ (5,429,407)</u>	<u>\$ (5,492,503)</u>	<u>\$ (779,746)</u>	<u>\$ (1,495,402)</u>	<u>\$ 106,739</u>	<u>\$ 259,545</u>	<u>\$ (142,381)</u>	<u>\$ (205,676)</u>

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

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2021

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,549,155	\$ 11,653,932
Grants in lieu of taxation	-	-	-	-	-	-	-	-	838,674	873,480
User fees	395,808	592,940	10,001	18,497	724,894	814,171	-	-	3,536,420	3,897,181
Grants - other	-	-	37,369	33,368	791,956	926,859	-	-	2,332,424	1,716,258
Permits, licences and fines	-	-	-	-	-	-	-	-	561,847	395,047
Investment income	17,208	18,407	-	-	21,378	13,383	-	-	864,829	788,215
Other revenue	-	-	-	-	587,136	36,054	-	-	1,577,361	830,846
Water and sewer	-	-	-	-	-	-	26,505,509	12,947,897	26,505,509	12,947,897
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	1,084,947	1,881,354
Prov of MB - Conditional Grants	-	-	-	-	208,519	148,262	-	-	9,482,653	2,393,954
Total revenue	\$ 413,016	\$ 611,347	\$ 47,370	\$ 51,865	\$ 2,333,883	\$ 1,938,729	\$ 26,505,509	\$ 12,947,897	\$ 58,333,819	\$ 37,378,164
EXPENSES										
Personnel services	\$ 355,043	\$ 340,642	\$ 110,103	\$ 73,068	\$ 1,807,944	\$ 1,759,277	\$ 2,345,790	\$ 2,395,004	\$ 9,939,647	\$ 9,843,894
Contract services	189,235	247,343	34,118	83,060	767,418	770,252	2,087,023	2,209,305	7,984,448	7,594,582
Utilities	5,917	5,768	1,393	919	353,735	326,633	1,161,042	1,028,583	1,954,882	1,787,704
Maintenance materials and supplies	68,010	114,006	5,264	2,743	364,841	417,594	1,429,932	1,393,495	3,042,219	2,962,238
Grants and contributions	-	-	59,430	50,045	642,286	604,219	-	-	979,760	873,563
Amortization	17,879	34,120	825	222	1,300,612	1,269,318	1,663,250	1,290,833	4,040,248	3,746,534
Interest on long term debt	-	-	-	-	274,134	339,101	-	-	274,134	339,101
Other	5,579	12,390	14,032	16,985	109,196	55,564	-	-	432,839	121,854
Total expenses	\$ 641,663	\$ 754,269	\$ 225,165	\$ 227,042	\$ 5,620,166	\$ 5,541,958	\$ 8,687,037	\$ 8,317,220	\$ 28,648,177	\$ 27,269,470
Surplus (Deficit)	\$ (228,647)	\$ (142,922)	\$ (177,795)	\$ (175,177)	\$ (3,286,283)	\$ (3,603,229)	\$ 17,818,472	\$ 4,630,677	\$ 29,685,642	\$ 10,108,694

**CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the Year Ended December 31, 2021**

	Core Government		Controlled Entities		Government Partnerships		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE								
Property taxes	\$ 11,549,155	\$ 11,653,932	\$ -	\$ -	\$ -	\$ -	\$ 11,549,155	\$ 11,653,932
Grants in lieu of taxation	838,674	873,480	-	-	-	-	838,674	873,480
User fees	1,871,117	1,782,190	15,200	14,565	1,650,103	2,100,426	3,536,420	3,897,181
Grants - other	1,502,043	752,275	1,056	3,756	829,325	960,227	2,332,424	1,716,258
Permits, licences and fines	561,847	395,047	-	-	-	-	561,847	395,047
Investment income	826,070	756,212	173	213	38,586	31,790	864,829	788,215
Other revenue	986,013	790,736	268	549	591,080	39,561	1,577,361	830,846
Water and sewer	26,505,509	12,947,897	-	-	-	-	26,505,509	12,947,897
Prov of MB - Unconditional Grants	1,084,947	1,881,354	-	-	-	-	1,084,947	1,881,354
Prov of MB - Conditional Grants	9,220,088	2,201,805	54,046	43,887	208,519	148,262	9,482,653	2,393,954
Total revenue	\$ 54,945,463	\$ 34,034,928	\$ 70,743	\$ 62,970	\$ 3,317,613	\$ 3,280,266	\$ 58,333,819	\$ 37,378,164
EXPENSES								
Personnel services	\$ 7,808,260	\$ 7,788,228	\$ 37,057	\$ 43,296	\$ 2,094,331	\$ 2,012,371	\$ 9,939,648	\$ 9,843,895
Contract services	7,250,550	6,839,705	3,203	5,435	730,695	749,441	7,984,448	7,594,581
Utilities	1,641,713	1,486,197	1,830	2,624	311,338	298,883	1,954,881	1,787,704
Maintenance materials and supplies	2,517,655	2,698,885	13,532	14,999	259,297	244,611	2,790,484	2,958,495
Grants and contributions	2,547,058	2,324,657	(33,400)	(28,000)	(1,404,111)	(1,419,351)	1,109,547	877,306
Amortization	3,730,133	3,448,810	17,275	17,275	292,840	280,449	4,040,248	3,746,534
Interest on long term debt	270,683	336,348	-	-	3,451	2,753	274,134	339,101
Other	384,018	(30,029)	7,481	2,415	163,288	149,468	554,787	121,854
Total expenses	\$ 26,150,070	\$ 24,892,801	\$ 46,978	\$ 58,044	\$ 2,451,129	\$ 2,318,625	\$ 28,648,177	\$ 27,269,470
Surplus (Deficit)	\$ 28,795,393	\$ 9,142,127	\$ 23,765	\$ 4,926	\$ 866,484	\$ 961,641	\$ 29,685,642	\$ 10,108,694

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2021

	General Reserve	Infrastructure Reserve	Equipment Replacement Reserve	Cemetery Reserve	Policing Reserve	Fire Truck Reserve	Handicap Access Reserve	Land Development Reserve	Environmental Reserve
REVENUE									
Investment income	\$ 53,304	\$ 1,494	\$ 2,986	\$ 13	\$ 721	\$ 3,097	\$ 785	\$ 11,485	\$ 3,728
Other income	-	-	-	-	-	-	-	-	-
Total revenue	53,304	1,494	2,986	13	721	3,097	785	11,485	3,728
EXPENSES									
Investment charges	-	-	-	-	-	-	-	-	-
Other expenses	112,970	-	-	-	-	-	-	72	-
Total expenses	112,970	-	-	-	-	-	-	72	-
NET REVENUES	(59,666)	1,494	2,986	13	721	3,097	785	11,413	3,728
TRANSFERS									
Debt payments									
Transfers from general operating fund	370,100	-	100,000	-	-	150,000	50,000	26,500	-
Transfers to general operating fund	-	-	-	-	-	-	-	-	-
Transfer from nominal surplus	-	796,500	-	-	200,000	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-
Transfers from reserve fund	-	-	-	-	-	-	-	-	-
Transfers to reserve fund	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	(371,427)	(796,500)	(275,182)	-	-	(387,025)	-	(350,506)	(51,365)
CHANGE IN RESERVE FUND BALANCES	(60,993)	1,494	(172,196)	13	200,721	(233,928)	50,785	(312,593)	(47,637)
FUND SURPLUS, BEGINNING OF YEAR	8,576,646	250,772	474,903	2,088	-	505,766	100,472	2,033,821	629,652
FUND SURPLUS, END OF YEAR	<u>\$ 8,515,653</u>	<u>\$ 252,266</u>	<u>\$ 302,707</u>	<u>\$ 2,101</u>	<u>\$ 200,721</u>	<u>\$ 271,838</u>	<u>\$ 151,257</u>	<u>\$ 1,721,228</u>	<u>\$ 582,015</u>

SCHEDULE 6

2021										
Computer Reserve	Crescent Lake Reserve	Handivan Reserve	Special Administration Reserve	Capital Levy Reserve	Recreation Dedication Fees Reserve	Sidewalk Reserve	Softball Reserve	Gas Tax Reserve	Glesby Centre Reserve	Accomm. Tax Marketing Reserve
\$ 937	\$ 147	\$ 4	\$ 601	\$ 603	\$ 143	\$ 961	\$ 212	\$ 47,639	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-	-
937	147	4	601	603	143	961	212	47,639	-	-
-	-	-	-	-	-	-	-	-	-	-
56	-	-	-	-	-	-	-	-	-	50,000
56	-	-	-	-	-	-	-	-	-	50,000
881	147	4	601	603	143	961	212	47,639	-	(50,000)
-	1,644	-	-	-	-	170,000	-	1,464,497	20,000	43,207
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
18,000	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
(13,027)	-	-	-	-	-	(240,000)	-	(4,247,169)	(11,004)	(5,500)
5,854	1,791	4	601	603	143	(69,039)	212	(2,735,033)	8,996	(12,293)
146,897	23,834	633	97,481	97,902	23,207	186,512	11,692	3,342,806	128,090	101,852
<u>\$ 152,751</u>	<u>\$ 25,625</u>	<u>\$ 637</u>	<u>\$ 98,082</u>	<u>\$ 98,505</u>	<u>\$ 23,350</u>	<u>\$ 117,473</u>	<u>\$ 11,904</u>	<u>\$ 607,773</u>	<u>\$ 137,086</u>	<u>\$ 89,559</u>

SCHEDULE 6

										2020
Accom Tax Sask Ave Reserve	BDO Capital Reserve	Library Capital Reserve	Utility Infrastructure Reserve	Utility Nutrient Removal Reserve	Utility Reserve	IP Capital Reserve	WPCF Upgrade Advance CIP Reserve	WPCF Upgrade MB Reserve	Total	Total
\$ -	\$ -	\$ -	\$ 16,668	\$ 152,726	\$ 124,184	\$ -	\$ 44,608	\$ 114,707	\$ 581,753	\$ 488,037
-	-	-	-	-	-	-	-	-	-	-
-	-	-	16,668	152,726	124,184	-	44,608	114,707	581,753	488,037
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	163,098	-
-	-	-	-	-	-	-	-	-	163,098	-
-	-	-	16,668	152,726	124,184	-	44,608	114,707	418,655	488,037
43,207	10,000	6,793	-	-	-	-	-	-	2,455,948	3,467,422
-	-	-	-	-	-	-	-	-	-	(315,103)
-	-	-	700,000	-	-	-	-	-	1,696,500	-
-	-	-	-	-	-	237,632	-	-	255,632	4,000,578
-	-	-	-	-	3,441,832	-	3,500,000	9,000,000	15,941,832	-
-	-	-	-	-	-	-	-	-	-	(79,078)
-	-	-	-	-	-	-	-	-	-	234,078
(280,000)	-	-	(7,438)	(285,608)	(3,423,142)	-	-	-	(10,744,892)	(6,508,629)
(236,793)	10,000	6,793	709,230	(132,882)	142,874	237,632	3,544,608	9,114,707	10,023,675	1,287,305
448,301	20,000	9,636	905,066	12,089,861	9,814,693	230,175	-	-	40,252,758	38,965,453
<u>\$ 211,508</u>	<u>\$ 30,000</u>	<u>\$ 16,429</u>	<u>\$ 1,614,296</u>	<u>\$ 11,956,979</u>	<u>\$ 9,957,567</u>	<u>\$ 467,807</u>	<u>\$ 3,544,608</u>	<u>\$ 9,114,707</u>	<u>\$ 50,276,433</u>	<u>\$ 40,252,758</u>

**SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.
For the Year Ended December 31, 2021**

	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>2020 Actual</u>
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue (specify)	-	-	-
Total revenue	<u>-</u>	<u>-</u>	<u>-</u>
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 (specify):	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other (specify):	-	-	-
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	<u>-</u>	<u>-</u>	<u>-</u>
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other (specify):	-	-	-
Change in L.U.D. balances	<u>-</u>	-	-
Unexpended balance, beginning of year		<u>-</u>	<u>-</u>
Unexpended balance, end of year		<u>-</u>	<u>-</u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

As at December 31, 2021

	2021	2020
	Total	Total
FINANCIAL ASSETS		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	3,475,209	2,504,187
Portfolio investments	-	-
Due from other funds	535,070	944,820
Other (specify):	-	-
	<u>\$ 4,010,279</u>	<u>\$ 3,449,007</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 356,608	\$ 404,066
Unearned revenue	760,825	-
Long-term debt (Note 9)	2,000,127	-
Due to other funds	-	-
Other (specify):	-	-
	<u>3,117,560</u>	<u>404,066</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 892,719</u>	<u>\$ 3,044,941</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 61,260,505	\$ 54,469,338
Inventories	302,102	283,258
Prepaid expenses	1,495	22,088
	<u>61,564,102</u>	<u>54,774,684</u>
FUND SURPLUS (DEFICIT)	<u>\$ 62,456,821</u>	<u>\$ 57,819,625</u>
COMMITMENTS AND CONTINGENCIES (Notes 11 and 12)		

City of Portage la Prairie
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2021

SCHEDULE 9

	<u>Budget</u>	<u>2021</u>	<u>2020</u>
REVENUE			
Water			
Water fees	\$11,802,000	\$ 12,149,269	\$11,697,280
Bulk Water fees	-	16,874	13,439
sub-total- water	<u>11,802,000</u>	<u>12,166,143</u>	<u>11,710,719</u>
Sewer			
Sewer fees	18,000	12,910	12,942
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>18,000</u>	<u>12,910</u>	<u>12,942</u>
Property taxes	-	-	-
Recovery			
Deficit recovery	-	-	-
Debenture recovery	-	-	-
sub-total- recovery	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Operating	850,000	14,081,204	995,766
Capital	-	-	-
sub-total- government transfers	<u>850,000</u>	<u>14,081,204</u>	<u>995,766</u>
Other			
Hydrant rentals	57,725	57,950	57,825
Connection charges	15,000	23,691	18,385
Installation service	-	-	-
Penalties	10,000	6,106	5,820
Contributed tangible capital assets	-	-	-
Investment income	-	131,556	144,940
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	15,144	-
Other income (specify)	85,200	10,805	1,500
sub-total- other	<u>167,925</u>	<u>245,252</u>	<u>228,470</u>
Total revenue	<u>\$12,837,925</u>	<u>\$ 26,505,509</u>	<u>\$12,947,897</u>

City of Portage la Prairie
SCHEDULE OF UTILITY OPERATIONS (cont'd)

SCHEDULE 9

For the Year Ended December 31, 2021

	<u>Budget</u>	<u>2021</u>	<u>2020</u>
EXPENSES			
General			
Administration	\$ 1,325,904	\$ 1,507,878	\$ 1,328,936
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
Other (specify)	-	-	-
sub-total- general	<u>1,325,904</u>	<u>1,507,878</u>	<u>1,328,936</u>
Water General			
Purification and treatment	3,395,725	\$ 2,955,440	2,743,000
Water purchases	-	-	-
Transmission and distribution	1,635,613	1,207,665	1,300,887
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other (specify)	-	-	-
sub-total- water general	<u>5,031,338</u>	<u>4,163,105</u>	<u>4,043,887</u>
Water Amortization & Interest			
Amortization	-	1,392,226	955,888
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>1,392,226</u>	<u>955,888</u>
Sewer General			
Collection system costs	1,299,792	732,141	1,085,183
Treatment and disposal cost	653,129	356,115	294,458
Lift Station costs	315,409	264,548	273,923
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs (specify)	(23,973)	-	-
sub-total- sewer general	<u>2,244,357</u>	<u>1,352,804</u>	<u>1,653,564</u>
Sewage Amortization & Interest			
Amortization	-	271,024	334,945
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>-</u>	<u>271,024</u>	<u>334,945</u>
Total expenses	<u>8,601,599</u>	<u>8,687,037</u>	<u>8,317,220</u>
NET OPERATING SURPLUS	4,236,326	17,818,472	4,630,677
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	(4,236,326)	(13,181,276)	1,463,340
CHANGE IN UTILITY FUND BALANCE	<u>\$ 0</u>	4,637,196	6,094,017
FUND SURPLUS, BEGINNING OF YEAR		<u>57,819,625</u>	<u>51,725,608</u>
FUND SURPLUS, END OF YEAR		<u>\$ 62,456,821</u>	<u>\$57,819,625</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2021

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 11,374,776	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,374,776
Grants in lieu of taxation	838,680	-	-	-	-	-	-	838,680
User fees	1,649,967	-	-	-	-	-	1,665,303	3,315,270
Permits, licences and fines	333,375	-	-	-	-	-	-	333,375
Investment income	140,000	-	-	-	-	-	38,759	178,759
Other revenue	517,206	-	-	-	-	-	591,348	1,108,554
Water and sewer	-	12,837,925	-	-	-	-	-	12,837,925
Grants - Province of Manitoba	3,297,399	-	-	-	-	-	262,565	3,559,964
Grants - other	881,786	-	-	-	-	-	830,381	1,712,167
Transfers from accumulated surplus	996,500	700,000	-	-	(1,696,500)	-	-	-
Transfers from reserves	-	-	-	-	-	-	-	-
Total revenue	\$ 20,029,689	\$ 13,537,925	\$ -	\$ -	\$ (1,696,500)	\$ -	\$ 3,388,356	\$ 35,259,470
EXPENSES								
General government services	\$ 2,585,309	\$ -	\$ 47,251	\$ -	\$ -	\$ -	\$ -	\$ 2,632,560
Protective services	6,203,952	-	202,555	-	-	-	-	6,406,507
Transportation services	2,423,859	-	668,332	-	-	-	46,978	3,139,169
Environmental health services	918,876	-	9,958	-	-	-	399,863	1,328,697
Public health and welfare services	331,704	-	-	-	-	-	-	331,704
Regional planning and development	423,022	-	3,810	-	-	-	338,188	765,020
Resource cons and industrial dev	148,357	-	1,134,976	-	-	-	89,792	1,373,125
Recreation and cultural services	2,428,063	-	1,679,106	270,683	-	-	1,662,975	6,040,827
Water and sewer services	-	8,601,599	-	-	-	-	-	8,601,599
Fiscal services:								
Transfer to capital	122,500	850,000	-	-	(972,500)	-	-	-
Debt charges	1,553,126	-	-	(1,553,126)	-	-	-	-
Short term interest	310,000	-	-	-	(310,000)	-	-	-
Transfer to reserves	2,520,111	4,086,326	-	-	(6,606,437)	-	-	-
Allowance for tax assets	60,810	-	-	-	(60,810)	-	-	-
Total expenses	\$ 20,029,689	\$ 13,537,925	\$ 3,745,988	\$ (1,282,443)	\$ (7,949,747)	\$ -	\$ 2,537,796	\$ 30,619,209
Surplus (Deficit)	\$ -	\$ -	\$ (3,745,988)	\$ 1,282,443	\$ 6,253,247	\$ -	\$ 850,560	\$ 4,640,261

City of Portage la Prairie
 ANALYSIS OF TAXES ON ROLL
 December 31, 2021

SCHEDULE 11

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	<u>\$ 1,212,367</u>	<u>\$ 1,030,261</u>
Add:		
Tax levy (Schedule 12)	19,900,221	19,491,109
Taxes added	179,596	590,792
Penalties or interest	95,331	71,980
Other accounts added	-	-
Tax Adjustments (specify)	-	-
Sub-total	<u>20,175,148</u>	<u>20,153,881</u>
Deduct:		
Cash collections - current	17,538,780	16,651,914
Cash collections - arrears	978,526	955,176
Writeoffs	-	-
Tax discounts	5,298	4,952
E.P.T.C. - cash advance	1,759,625	2,359,733
Other credits (specify)	-	-
Sub-total	<u>20,282,229</u>	<u>19,971,775</u>
Balance, end of year	<u>\$ 1,105,286</u>	<u>\$ 1,212,367</u>

City of Portage la Prairie
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2021

SCHEDULE 12

	2021			2020
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
Debt - PCU Centre	\$ 585,694,690	\$ 2.42	1,419,724	1,412,791
Debt - NE Transportation Route	\$ 585,694,690	\$ 0.04	25,771	25,646
sub-total - Debt charges			<u>1,445,494</u>	<u>1,438,437</u>
Deferred surplus	\$ -	\$ -	-	-
Reserves:				
Reserve - Glesby Centre	585,694,690	\$ 0.03	18,742	18,807
Reserve - Handicap Access	585,694,690	\$ 0.08	46,856	46,732
Reserve - Fire	585,694,690	\$ 0.24	139,981	139,056
Reserve - Sidewalk	585,694,690	\$ 0.27	158,138	159,573
Reserve - General	585,694,690	\$ 0.29	168,680	23,366
Reserve - Equipment Replacemer	585,694,690	\$ 0.16	93,125	92,894
sub-total - Reserves			<u>625,522</u>	<u>480,428</u>
General municipal	\$ 585,694,690	\$ 15.63	<u>9,154,408</u>	<u>9,001,052</u>
Special levies:				
Assessment Levy	\$ 585,694,690	\$ 0.26	<u>149,433</u>	<u>148,175</u>
Business tax (rate%)	\$ -	\$ -	-	-
Total municipal taxes (Schedule 2)			<u>11,374,857</u>	<u>11,068,092</u>
Education support levy	\$ 142,354,220	\$ 8.81	<u>1,253,998</u>	<u>1,240,088</u>
Special levies:				
Portage la Prairie School Division	\$ 569,499,210	\$ 12.77	<u>7,271,366</u>	<u>7,182,929</u>
Total education taxes			<u>8,525,364</u>	<u>8,423,017</u>
Total tax levy (Schedule 11)			<u>\$ 19,900,221</u>	<u>\$ 19,491,109</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2021

	2021 Actual	2020 Actual
		(Restated - Note 26)
General government services:		
Legislative	\$ 260,410	\$ 265,121
General administrative	2,107,628	2,056,476
Other (specify)	368,740	(118,444)
	<u>2,736,778</u>	<u>2,203,153</u>
Protective services:		
Police	4,303,615	3,775,604
Fire	2,438,856	2,447,220
Emergency measures	77,984	120,961
Other (specify)	66,422	69,231
	<u>6,886,877</u>	<u>6,413,016</u>
Transportation services:		
Road transport		
Administration and engineering	208,506	255,821
Road and street maintenance	1,752,229	1,679,944
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	74,187	64,792
Street lighting	278,355	253,481
Other (specify)	-	-
Air transport	-	-
Public transit	-	-
Other (specify)	-	-
	<u>2,313,276</u>	<u>2,254,038</u>
Environmental health services:		
Waste collection and disposal	648,817	611,112
Recycling	259,411	242,465
Other (specify)	-	-
	<u>908,229</u>	<u>853,577</u>
Public health and welfare services:		
Public health	148,453	180,320
Medical care	-	-
Social assistance	70,721	70,721
Other (specify)	7,960	2,887
	<u>227,134</u>	<u>253,928</u>
Regional planning and development		
Planning and zoning	4,783	14,850
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	172,009	195,435
Other (specify)	126,683	178,756
	<u>303,475</u>	<u>389,041</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	119,107	150,150
Industrial development	4,336	68,711
Tourism	1,915	952
Other (specify)	10,015	(5,446)
	<u>135,373</u>	<u>214,367</u>
Sub-totals forward	<u>\$13,511,142</u>	<u>\$12,581,121</u>

City of Portage la Prairie
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2021

SCHEDULE 13

	<u>2021 Actual</u>	<u>2020 Actual</u> (Restated - Note 26)
Sub-totals forward	<u>\$13,511,142</u>	<u>\$12,581,121</u>
Recreation and cultural services:		
Administration	1,452,770	1,417,775
Community centers and halls	72,900	72,900
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	6,040	5,449
Parks and playgrounds	479,062	441,141
Other recreational facilities	1,543,335	1,536,328
Museums	-	-
Libraries	323,617	466,070
Other cultural facilities	79,467	59,750
	<u>3,957,191</u>	<u>3,999,413</u>
Total expenses	<u>\$ 17,468,333</u>	<u>\$ 16,580,534</u>

City of Portage la Prairie
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
December 31, 2021

SCHEDULE 14

	General	2021 Utility	Total	2020 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 1,929,411	\$ 1,085,223	\$ 3,014,634	\$ 4,735,125
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	2,455,948	16,897,465	19,353,413	2,344,183
Eliminate revenue - transfers from reserves	(7,151,786)	(4,401,044)	(11,552,830)	(4,877,455)
Increase revenue - reserve funds interest	581,752	-	581,752	488,037
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	890,249	-	890,249	966,567
Increase (decrease) revenue - grant authorized	6,734,639	(571,068)	6,163,571	-
Increase expense - liability estimate for PSAB purposes	(268,813)	-	(268,813)	-
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	-
Increase revenue (increase expense) - gain (loss) on sale of tangible capital assets	(308,520)	-	(308,520)	(2,372)
Increase expense - amortization of tangible capital assets	(2,066,883)	(1,663,250)	(3,730,133)	(3,488,810)
Decrease expense - principal portion of debenture debt	243,557	(2,000,127)	(1,756,570)	1,179,098
Eliminate expense - acquisitions of tangible capital assets	8,827,617	8,471,272	17,298,889	8,905,571
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 11,867,171	\$ 17,818,471	\$ 29,685,642	\$ 10,249,944