

City of Portage la Prairie

**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 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.

The 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, 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 Portage la Prairie 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 Portage la Prairie 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.

Other Matters

The financial statements for the year ended December 31, 2019 were audited by another firm of Chartered Professional Accountants who expressed an unmodified opinion on those financial statements on June 22, 2020.

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

Those charged with governance are responsible for overseeing the City of Portage la Prairie'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 of Portage la Prairie'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 Portage la Prairie'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 Portage la Prairie 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 of Portage la Prairie 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 28, 2021

City of Portage la Prairie
Consolidated Financial Statements
For the Year Ended December 31, 2020

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**City of Portage la Prairie
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2020**

	<u>2020</u>	<u>2019</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 49,750,254	\$ 41,027,872
Amounts receivable (Note 4)	5,044,814	6,083,367
Portfolio investments (Note 5)	118,948	3,136,882
Other inventories for sale (Note 6)	255	1,808
	<u>\$ 54,914,271</u>	<u>\$ 50,249,929</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 6,555,399	\$ 5,944,294
Unearned revenue	359,698	223,871
Landfill closure and post closure liabilities (Note 8)	84,937	33,394
Long-term debt (Note 10)	5,742,887	6,946,457
Obligations under capital lease	527	2,252
	<u>12,743,448</u>	<u>13,150,268</u>
NET FINANCIAL ASSETS	<u>\$ 42,170,823</u>	<u>\$ 37,099,661</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$116,548,377	\$111,608,782
Inventories (Note 6)	362,873	305,590
Real estate properties held for sale	373,411	373,411
Prepaid expenses	517,659	295,754
	<u>117,802,320</u>	<u>112,583,537</u>
ACCUMULATED SURPLUS (Note 17)	<u>\$159,973,143</u>	<u>\$149,683,199</u>

COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)

Approved on behalf of council:



Mayor



Deputy Mayor

The accompanying notes are an integral part of this financial statement

City of Portage la Prairie
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2020

	<u>2020 Budget (Note 16)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
REVENUE			
Property taxes	\$11,068,092	\$ 11,653,932	\$ 10,868,386
Grants in lieu of taxation	873,480	873,480	891,388
User fees	6,897,579	3,897,181	4,759,405
Permits, licences and fines	341,200	395,047	549,107
Investment income	272,003	788,215	1,033,901
Other revenue	550,689	830,846	931,739
Water and sewer	10,787,645	12,947,897	16,744,996
Grants - Province of Manitoba	3,496,923	4,275,308	3,585,684
Grants - other	1,842,269	1,716,258	1,951,362
Total revenue (Schedules 2, 4 and 5)	<u>36,129,880</u>	<u>37,378,164</u>	<u>41,315,968</u>
EXPENSES			
General government services	2,621,725	2,198,176	2,948,313
Protective services	6,358,411	6,231,766	6,003,158
Transportation services	3,177,217	2,312,107	2,898,145
Environmental health services	1,303,869	1,251,754	1,102,348
Public health and welfare services	342,636	253,928	221,197
Regional planning and development	791,976	754,269	796,667
Resource conservation and industrial development	192,075	227,042	170,093
Recreation and cultural services	5,386,638	5,541,958	5,715,457
Water and sewer services	10,273,673	8,317,220	7,490,902
Total expenses (Schedules 3, 4 and 5)	<u>30,448,220</u>	<u>27,088,220</u>	<u>27,346,280</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ 5,681,660</u>	<u>10,289,944</u>	<u>13,969,688</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>149,683,199</u>	<u>135,713,511</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 159,973,143</u>	<u>\$ 149,683,199</u>

The accompanying notes 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, 2020

	<u>2020 Budget (Note 16)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
ANNUAL SURPLUS	\$ 5,681,660	\$ 10,289,944	\$ 13,969,688
Acquisition of tangible capital assets	(8,905,601)	(8,905,601)	(12,134,731)
Amortization of tangible capital assets	-	3,746,534	2,788,158
Loss (Gain) on sale of tangible capital assets	-	(549,356)	(29,928)
Proceeds on sale of tangible capital assets	-	768,829	124,792
Decrease (increase) in inventories	-	(57,283)	(39,005)
Decrease (increase) in prepaid expense	-	(221,905)	(133,280)
	<u>(8,905,601)</u>	<u>(5,218,782)</u>	<u>(9,423,994)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>(3,223,941)</u>	5,071,162	4,545,694
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>37,099,661</u>	<u>32,553,967</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 42,170,823</u>	<u>\$ 37,099,661</u>

The accompanying notes are an integral part of this financial statement

City of Portage la Prairie
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 10,289,944	\$ 13,969,688
Changes in non-cash items:		
Amounts receivable	1,038,553	6,615,384
Inventories	(55,730)	(38,870)
Prepays	(221,905)	(133,280)
Other assets	-	-
Accounts payable and accrued liabilities	611,105	(5,598,670)
Severance and sick leave payable	-	-
Unearned revenue	135,827	12,239
Landfill closure and post closure liabilities	51,543	4,041
Environmental liabilities	-	-
Loss (Gain) on land held for resale	-	(389,265)
Loss (Gain) on sale of tangible capital asset	(549,356)	(29,928)
Amortization	3,746,534	2,788,158
Cash provided by operating transactions	<u>15,046,515</u>	<u>17,199,497</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	768,830	124,792
Cash used to acquire tangible capital assets	<u>(8,905,601)</u>	<u>(12,134,731)</u>
Cash applied to capital transactions	<u>(8,136,771)</u>	<u>(12,009,939)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	3,017,934	7,434,455
Proceeds on sale of real estate properties	-	408,550
Loans and advances repaid	-	-
Purchase of portfolio investments	-	-
Acquisition of real estate properties	-	(47,738)
Loans and advances issued	-	-
Cash applied to investing transactions	<u>3,017,934</u>	<u>7,795,267</u>
FINANCING TRANSACTIONS		
Net (repayments) borrowings from revolving line of credit	-	-
Proceeds of long-term debt	-	-
Debt repayment	(1,203,571)	(1,187,423)
Obligation under capital lease	(1,725)	(1,869)
Repayment of obligation under capital lease	-	-
Cash applied to financing transactions	<u>(1,205,296)</u>	<u>(1,189,292)</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	8,722,382	11,795,533
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>41,027,872</u>	<u>29,232,339</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 49,750,254</u></u>	<u><u>\$ 41,027,872</u></u>

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, 2020

1. Status of the City of Portage la Prairie

The incorporated City of Portage la Prairie 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% (2019 - 66.67%))

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

Portage la Prairie Regional Landfill Authority (66.67%) (2019 - 66.67%)

- provides waste disposal services to the residents of the City

Portage la Prairie Regional Library (77.00%) (2019 - 77.00%)

- provides library services to the residents of the City

Portage Regional Recreation Authority Inc. (75.00%) (2019 - 75.00%)

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

Portage Regional Economic Development (66.67%) (2019 - 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 financial statements.

Trust funds and their related operations administered by the City are not consolidated in these 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 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 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 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 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) Liability for Contaminated Sites

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the organization is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries.

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2020</u>	<u>2019</u>
Cash	\$ 49,750,254	\$ 40,166,293
Temporary investments	-	861,579
	<u>\$ 49,750,254</u>	<u>\$ 41,027,872</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The City has designated \$40,252,755 (2019 - \$38,965,453) 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>2020</u>	<u>2019</u>
Taxes on roll (Schedule 11)	\$ 1,212,367	\$ 1,030,261
Government grants	205,365	2,909,712
Utility customers	2,299,477	1,059,402
Accrued interest	-	932
Organizations and individuals	1,160,849	1,266,989
Other governments	268,191	364,580
	<u>5,146,249</u>	<u>6,631,876</u>
Less allowances for doubtful amounts	<u>(101,435)</u>	<u>(548,509)</u>
	<u>\$ 5,044,814</u>	<u>\$ 6,083,367</u>

5. Portfolio Investments

	<u>2020</u>	<u>2019</u>
Guaranteed investment certificate and term deposits	<u>\$ 118,948</u>	<u>\$ 3,136,882</u>

The aggregate market value of the marketable securities at December 31, 2020 is \$118,948 (2019 - \$3,136,882). Portfolio investments earned \$32,945 in investment income during the year (2019 - \$208,241).

6. Inventories

Inventories for sale:

	<u>2020</u>	<u>2019</u>
Food and beverages	<u>\$ 255</u>	<u>\$ 1,808</u>

Inventories for use:

	<u>2020</u>	<u>2019</u>
Chemicals, herbicides, insecticides	\$ 283,258	\$ 250,145
Fuel	24,381	9,865
Other supplies	<u>55,234</u>	<u>45,580</u>
	<u>\$ 362,873</u>	<u>\$ 305,590</u>

7. Accounts Payable and Accrued Liabilities

	<u>2020</u>	<u>2019</u>
Accounts payable	\$ 2,549,725	\$ 1,222,357
Accrued expenses	1,127,215	936,371
Accrued interest payable	173,242	210,922
School levies	75	1,036,956
Other governments	2,569,587	2,377,739
Due to trusts	<u>135,555</u>	<u>159,949</u>
	<u>\$ 6,555,399</u>	<u>\$ 5,944,294</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>2020</u>	<u>2019</u>
Estimated closure and post closure costs over the next 4 years (2019 - 31 years)	<u>\$ 226,011</u>	<u>\$ 306,015</u>
Discount rate	<u>5.25%</u>	<u>5.64%</u>
Discounted costs	<u>\$ 99,926</u>	<u>\$ 54,759</u>
Expected year capacity will be reached	<u>2024</u>	<u>2051</u>
Capacity (tonnes):		
Used to date	883,000	1,510,985
Remaining	151,000	966,715
Total	<u>1,034,000</u>	<u>2,477,700</u>
Percent utilized	<u>85%</u>	<u>60.98%</u>
Liability based on percentage	<u>\$ 84,937</u>	<u>\$ 33,394</u>

The landfill liability for the Portage Regional Landfill Authority is the joint responsibility of the City and the Rural Municipality of Portage la Prairie. The City portion of the liability is 75% (2019 - 75%). The above represents the City's portion of the obligation.

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>2020</u>	<u>2019</u>
General Authority:		
Debenture, interest at 5.500%, payable at \$697,379 annually including interest, maturing 2024	\$ 2,444,419	\$ 2,978,008
Debenture, interest at 5.500%, payable at \$298,877 annually including interest, maturing 2024	1,047,608	1,276,289
Debenture, interest at 5.500%, payable at \$159,400 annually including interest, maturing 2025	680,687	796,292
Debenture, interest at 5.250%, payable at \$146,966 annually including interest, maturing 2025	631,911	740,026
Debenture, interest at 5.500%, payable at \$145,952 annually including interest, maturing 2024	511,582	623,254
Debenture, interest at 5.250%, payable at \$19,595 annually including interest, maturing 2025	84,255	98,670
Debenture, interest at 5.250%, payable at \$19,595 annually including interest, maturing 2025	84,255	98,670
Debenture, interest at 5.500%, payable at \$9,963 annually including interest, maturing 2025	42,543	49,770
Debenture, interest at 5.500%, payable at \$9,963 annually including interest, maturing 2025	42,543	49,768
Debenture, interest at 5.250%, payable at \$9,798 annually including interest, maturing 2025	42,128	49,335
Debenture, interest at 5.500%, payable at \$8,468 annually including interest, maturing 2024	29,682	36,161
Debenture, interest at 5.375%, payable at \$19,760 annually including interest, maturing 2021	18,752	36,548
Debenture, interest at 5.375%, payable at \$7,410 annually including interest, maturing 2021	7,032	13,705
Loan payable, interest at 5.000%, payable at \$1,685 monthly including interest, maturing 2024	61,288	78,071
Loan payable, interest at 4.890%, payable at \$554 monthly including interest, maturing 2023	14,202	21,890
	<u>\$ 5,742,887</u>	<u>\$ 6,946,457</u>

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

2021	\$ 1,267,259
2022	\$ 1,309,258
2023	\$ 1,375,780
2024	\$ 1,434,432
2025	\$ 356,158

11. Commitments

The City has a contract for janitorial services of approximately \$161,920 for 2 years ending September 1, 2022.

The City has a contract for janitorial services of approximately \$81,194 for 3 years ending August 31, 2021.

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 3 years ending November 30, 2022.

The City has a contract for building maintenance services for 3 years ending November 30, 2022.

The City has a contract for electrical services for 3 years ending November 30, 2021.

The City has a contract for plumbing services for 3 years ending November 30, 2021.

The City has a contract for the maintenance of green areas of approximately \$438,079 for 3 years ending October 31, 2023.

The City has a contract for by-law enforcement services of approximately \$111,090 for 1 year ending April 30, 2021.

The City has a contract for the supply of treatment chemicals for utility plants with various companies for 1 year ending May 31, 2021 for a total cost of approximately \$1,534,888.

The City has a contract for external audit services for 3 years 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 4 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 by-law, parking and animal control enforcement agreement of approximately \$257,220 for 3 years ending July 2023.

12. Contingencies

The Portage Regional Recreation Authority Inc. has begun the process of filing a lawsuit for the repairs required on the roof replacement, dehumidifier system and ensuring the steel beams are up to code of the Shindlemann Aquatic Centre in conjunction with the City of Portage la Prairie and the Rural Municipality of Portage la Prairie. As of the financial statement date, management is unsure of the amount recoverable from the outcome of the lawsuit.

13. 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 \$597,658 (2019 - \$509,027) 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 contracted for the land application of biosolids for the 2021 season for approximately \$330,000.

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>2020</u>	<u>2019</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 2,210,705	\$ 1,023,532
Utility operating fund(s) - Nominal surplus	3,350,287	2,683,380
TCA net of related borrowings	108,592,836	102,410,836
Reserve funds (Schedule 6)	<u>40,252,755</u>	<u>38,965,453</u>
Accumulated surplus of City unconsolidated	154,406,583	145,083,201
Accumulated surpluses of consolidated entities	<u>5,566,560</u>	4,599,998
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 159,973,143</u>	<u>\$ 149,683,199</u>

18. Trust Funds

The City of Portage la Prairie administers the following trusts:

	Balance, beg. of the year	Excess of Receipts over Disbursements	Balance, end of the year
<i>Bear Clan Donation</i>	\$ 230	\$ (230)	\$ -
<i>Cemetery Perpetual Trust</i>	326,607	9,125	335,732
<i>Centennial Community Club Inc.</i>	1,500	(500)	1,000
<i>Central Park Surplus</i>	137,476	(38,481)	98,995
<i>DARE Program</i>	1,036	20	1,056
<i>Fire Equipment</i>	13,400	310	13,710
<i>Golf Island Park</i>	2,121	4,800	6,921
<i>Heritage Committee Book Sales</i>	-	6,900	6,900
<i>Manitoba Hydro</i>	45,252	1,172	46,424
<i>Misc City Contributions</i>	80	(80)	-
<i>Northeast Community Family Care</i>	1,712	35	1,747
<i>West-end Development Trust</i>	23	-	23
<i>Willow Bay Paving In Trust</i>	4,584	92	4,676
	<u>\$ 534,021</u>	<u>\$ (16,837)</u>	<u>\$ 517,184</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 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>2020</u>	<u>2019</u>
Financial Position		
Financial assets	\$ 3,905,597	\$ 2,793,143
Financial liabilities	<u>713,569</u>	<u>606,609</u>
Net financial assets (liabilities)	<u>3,192,028</u>	2,186,534
Non-financial assets	<u>2,241,839</u>	2,285,696
Accumulated surplus	<u>\$ 5,433,867</u>	<u>\$ 4,472,230</u>
Result of Operations		
Revenues	\$ 3,280,266	\$ 3,650,961
Expenses	<u>2,318,625</u>	<u>2,513,240</u>
Annual surplus	<u>\$ 961,641</u>	<u>\$ 1,137,721</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 financial statements must be disclosed when the occurrence of the confirming future event is likely, provided that the sensitivity or confidentiality of the information should also be considered to avoid 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 possible amounts; the reason(s), if the extent can't be disclosed; and the basis for the estimate.

For the fiscal year ended December 31, 2020, the City has no contingent assets to disclose.

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 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 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 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	\$ -	\$ 55,125	\$ 1,102	\$ 54,022
Industrial Park Watermain	393,534	-	8,555	384,979
Industrial Watermain & WTP	776,332	-	15,527	760,805
McKay Reservoir	293,918	-	11,091	282,827
Miscellaneous equipment	-	46,505	4,650	41,854
Water Study Pre-design	87,231	-	1,817	85,414
Water Supply Upgrades	794,581	-	16,554	778,027

Water Treatment Plant	1,763,916	14,990	44,473	1,734,433
Water Treatment Plant Upgrade	<u>337,804</u>	<u>-</u>	<u>17,779</u>	<u>320,025</u>
	<u>\$ 4,447,316</u>	<u>\$ 116,620</u>	<u>\$ 121,549</u>	<u>\$ 4,442,386</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Phase 1 WPCF (LRAR)	\$ 27,123,394	\$ 169,079	\$ 409,387	\$ 26,883,086
Phase 2 WPCF (LRAR)	-	710,064	-	710,064
SBR Lift Station	1,410,010	-	39,167	1,370,843
Wastewater Plant Study	<u>103,864</u>	<u>-</u>	<u>2,164</u>	<u>101,700</u>
	<u>\$ 28,637,268</u>	<u>\$ 879,143</u>	<u>\$ 450,718</u>	<u>\$ 29,065,693</u>

24. 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.

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2020

	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	\$ 10,366,420	\$ 47,167,522	\$ 7,222,283	\$ 596,787	\$ 2,577,084	\$ 20,927,634	\$ 104,454,635	\$ 30,755,946	\$ 224,068,311	\$ 212,051,755
Additions during the year	315,014	66,299	739,418	64,260	184,923	762,487	33,218,878	4,392,225	39,743,504	12,134,731
Transfer during the year	-	-	-	-	-	-	-	-	-	-
Disposals and write downs	(217,100)	-	(23,717)	-	-	-	-	(30,837,903)	(31,078,720)	(118,175)
Closing costs	10,464,334	47,233,821	7,937,984	661,047	2,762,007	21,690,121	137,673,513	4,310,268	232,733,095	224,068,311
Accumulated Amortization										
Opening accum'd amortization	4,022,200	14,577,161	3,715,867	469,535	-	3,506,413	86,168,353	-	112,459,529	109,694,682
Amortization	297,688	1,079,637	593,832	81,263	-	403,281	1,290,833	-	3,746,534	2,788,158
Disposas	-	-	(21,345)	-	-	-	-	-	(21,345)	(23,311)
Closing accum'd amortization	4,319,888	15,656,798	4,288,354	550,798	-	3,909,694	87,459,186	-	116,184,718	112,459,529
Net Book Value of Tangible Capital Assets	\$ 6,144,446	\$ 31,577,023	\$ 3,649,630	\$ 110,249	\$ 2,762,007	\$ 17,780,427	\$ 50,214,327	\$ 4,310,268	\$ 116,548,377	\$ 111,608,782

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, 2020

SCHEDULE 2

	2020 Actual	2019 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 11,068,092	\$ 10,700,718
Taxes added	590,792	167,668
Taxes discount	(4,952)	-
	11,653,932	10,868,386
Grants in lieu of taxation:		
Federal government	46,655	18,325
Federal government enterprises	-	2,434
Provincial government	548,281	431,550
Provincial government enterprises	278,544	439,079
Other municipal governments	-	-
Non-government organizations	-	-
	873,480	891,388
User fees		
Parking meters	48,025	87,299
Sales of service	3,595,372	3,366,742
Sales of goods	91,652	107,196
Rentals	162,132	648,637
Development charges	-	-
Facility use fees	-	549,531
Other:	-	-
	3,897,181	4,759,405
Permits, licences and fines		
Permits	-	-
Licences	130,258	104,646
Fees	105,668	277,515
Fines	159,121	166,946
Other:	-	-
	395,047	549,107
Investment income:		
Cash and temporary investments	788,215	1,033,901
Marketable securities	-	-
Municipal debentures	-	-
Other:	-	-
	788,215	1,033,901
Other revenue:		
Gain on sale of tangible capital assets	(1,116)	29,928
Gain on sale of real estate held for sale	550,472	389,265
Contributed assets	-	-
Penalties and interest	71,980	147,065
Miscellaneous:	209,510	365,481
Other:	-	-
	830,846	931,739
Water and sewer		
Municipal utility (Schedule 9)	12,947,897	16,744,996
Consolidated water co-operatives	-	-
	12,947,897	16,744,996
Grants - Province of Manitoba		
Municipal operating grants	1,881,354	2,841,697
Other unconditional grants	-	-
Conditional grants	2,393,954	743,987
Other:	-	-
	4,275,308	3,585,684
Grants - other		
Federal government - gas tax funding	715,976	1,427,084
Federal government - other	458,708	2,603
Other municipal governments	541,574	521,675
Other:	-	-
	1,716,258	1,951,362
Total revenue	37,378,164	41,315,968

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2020

SCHEDULE 3

	<u>2020 Actual</u>	<u>2019 Actual</u>
General government services:		
Legislative	\$ 265,121	\$ 241,824
General administrative	2,056,451	1,870,521
Other:	<u>(123,396)</u>	<u>835,968</u>
	<u>2,198,176</u>	<u>2,948,313</u>
Protective services:		
Police	3,594,354	3,379,456
Fire	2,447,220	2,239,573
Emergency measures	120,961	306,622
Other:	<u>69,231</u>	<u>77,507</u>
	<u>6,231,766</u>	<u>6,003,158</u>
Transportation services:		
Road transport		
Administration and engineering	255,821	305,382
Road and street maintenance	1,679,969	2,107,604
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	64,792	93,502
Street lighting	253,481	252,724
Other:	-	-
Air transport	-	-
Public transit	58,044	138,933
Other:	-	-
	<u>2,312,107</u>	<u>2,898,145</u>
Environmental health services:		
Waste collection and disposal	1,009,289	862,597
Recycling	242,465	239,751
Other:	-	-
	<u>1,251,754</u>	<u>1,102,348</u>
Public health and welfare services:		
Public health	183,207	150,476
Medical care	-	-
Social assistance	70,721	70,721
Other:	-	-
	<u>253,928</u>	<u>221,197</u>
Regional planning and development		
Planning and zoning	380,078	379,905
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	195,435	218,086
Other:	<u>178,756</u>	<u>198,676</u>
	<u>754,269</u>	<u>796,667</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	162,825	146,461
Industrial development	68,711	12,270
Tourism	952	1,362
Other:	<u>(5,446)</u>	<u>10,000</u>
	<u>227,042</u>	<u>170,093</u>
Sub-totals forward	<u>13,229,042</u>	<u>14,139,921</u>

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2020

SCHEDULE 3

	<u>2020 Actual</u>	<u>2019 Actual</u>
Sub-totals forward	<u>13,229,042</u>	<u>14,139,921</u>
Recreation and cultural services:		
Administration	2,694,079	2,828,519
Community centers and halls	72,900	72,900
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	5,449	5,280
Parks and playgrounds	441,141	449,976
Other recreational facilities	1,536,328	1,654,077
Museums	-	-
Libraries	732,311	622,785
Other cultural facilities	59,750	81,920
	<u>5,541,958</u>	<u>5,715,457</u>
Water and sewer services		
Municipal utility (Schedule 9)	8,317,220	7,490,902
Consolidated water co-operatives	-	-
	<u>8,317,220</u>	<u>7,490,902</u>
Total expenses	<u>27,088,220</u>	<u>27,346,280</u>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the 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	\$11,653,932	\$10,868,386	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	873,480	891,388	-	-	-	-	-	-	-	-
User fees	191,950	167,043	707,579	695,031	16,000	51,958	1,507,792	1,539,226	48,252	58,934
Grants - other	-	-	-	60,606	756,031	1,428,140	-	-	-	-
Permits, licences and fines	182,113	331,531	212,934	217,576	-	-	-	-	-	-
Investment income	756,212	926,043	-	4,554	213	51,548	-	11,182	-	27
Other revenue	790,736	1,004,247	-	-	549	1,781	3,507	(13,291)	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	1,881,354	2,841,697	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	2,201,805	32,839	-	-	43,887	209,110	-	290,232	-	-
Total revenue	\$18,531,582	\$17,063,174	\$ 920,513	\$ 977,767	\$ 816,680	\$ 1,742,537	\$ 1,511,299	\$ 1,827,349	\$ 48,252	\$ 58,961
EXPENSES										
Personnel services	\$ 1,535,077	\$ 1,509,989	\$ 2,437,838	\$ 2,226,926	\$ 741,424	\$ 760,200	\$ 289,192	\$ 260,987	\$ 91,122	\$ 70,668
Contract services	213,680	427,688	3,286,137	3,151,182	14,456	656,834	685,775	637,785	84,574	82,602
Utilities	54,098	53,414	65,924	69,934	299,710	294,352	-	9,970	6,069	7,983
Maintenance materials and supplies	197,655	145,136	175,006	133,842	502,966	631,548	85,754	84,076	69,276	55,680
Grants and contributions	244,218	74,578	1,912	3,538	(28,000)	-	2,025	-	2,887	2,695
Amortization	46,120	42,565	203,870	169,269	779,137	550,632	122,914	97,797	-	-
Interest on long term debt	-	-	-	-	-	3,127	-	469	-	-
Other	(92,672)	694,943	61,079	248,467	2,414	1,452	66,094	11,264	-	1,569
Total expenses	\$ 2,198,176	\$ 2,948,313	\$ 6,231,766	\$ 6,003,158	\$ 2,312,107	\$ 2,898,145	\$ 1,251,754	\$ 1,102,348	\$ 253,928	\$ 221,197
Surplus (Deficit)	\$16,333,406	\$14,114,861	\$ (5,311,253)	\$ (5,025,391)	\$ (1,495,427)	\$ (1,155,608)	\$ 259,545	\$ 725,001	\$ (205,676)	\$ (162,236)

* 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, 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,653,932	\$10,868,386
Grants in lieu of taxation	-	-	-	-	-	-	-	-	873,480	891,388
User fees	592,940	1,021,613	18,497	1,577	814,171	1,224,023	-	-	3,897,181	4,759,405
Grants - other	-	-	33,368	33,368	926,859	429,248	-	-	1,716,258	1,951,362
Permits, licences and fines	-	-	-	-	-	-	-	-	395,047	549,107
Investment income	18,407	21,000	-	-	13,383	19,367	-	-	788,215	1,033,901
Other revenue	-	(88,893)	-	-	36,054	27,895	-	-	830,846	931,739
Water and sewer	-	-	-	-	-	-	12,947,897	16,744,996	12,947,897	16,744,996
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	1,881,354	2,841,697
Prov of MB - Conditional Grants	-	68,908	-	-	148,262	142,898	-	-	2,393,954	743,987
Total revenue	\$ 611,347	\$ 1,022,628	\$ 51,865	\$ 34,945	\$ 1,938,729	\$ 1,843,431	\$ 12,947,897	\$ 16,744,996	\$ 37,378,164	\$ 41,315,968
EXPENSES										
Personnel services	\$ 340,641	\$ 353,933	\$ 73,068	\$ 40,025	\$ 1,759,277	\$ 1,911,143	\$ 2,395,006	\$ 2,813,957	\$ 9,662,645	\$ 9,947,828
Contract services	247,343	258,475	83,060	77,414	770,252	454,661	2,209,304	1,574,418	7,594,581	7,321,059
Utilities	5,768	6,800	919	1,119	326,633	341,483	1,028,583	969,365	1,787,704	1,754,420
Maintenance materials and supplies	114,006	97,615	2,743	704	417,594	709,484	1,393,495	1,381,501	2,958,495	3,239,586
Grants and contributions	-	44,447	50,045	50,045	604,219	586,742	-	-	877,306	762,045
Amortization	34,120	26,118	222	300	1,269,318	1,257,176	1,290,833	644,301	3,746,534	2,788,158
Interest on long term debt	-	-	-	-	339,101	402,702	-	-	339,101	406,298
Other	12,390	9,279	16,985	486	55,564	52,066	-	107,360	121,854	1,126,886
Total expenses	\$ 754,268	\$ 796,667	\$ 227,042	\$ 170,093	\$ 5,541,958	\$ 5,715,457	\$ 8,317,221	\$ 7,490,902	\$ 27,088,220	\$27,346,280
Surplus (Deficit)	\$ (142,921)	\$ 225,961	\$ (175,177)	\$ (135,148)	\$ (3,603,229)	\$ (3,872,026)	\$ 4,630,676	\$ 9,254,094	\$ 10,289,944	\$ 13,969,688

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the Year Ended December 31, 2020

	Core Government		Controlled Entities		Government Partnerships		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE								
Property taxes	\$ 11,653,932	\$ 10,868,386	\$ -	\$ -	\$ -	\$ -	\$ 11,653,932	\$ 10,868,386
Grants in lieu of taxation	873,480	891,388	-	-	-	-	873,480	891,388
User fees	1,782,190	1,644,441	14,565	42,072	2,100,426	3,072,892	3,897,181	4,759,405
Grants - other	752,275	1,487,690	3,756	1,056	960,227	462,616	1,716,258	1,951,362
Permits, licences and fines	395,047	549,107	-	-	-	-	395,047	549,107
Investment income	756,212	991,554	213	220	31,790	42,127	788,215	1,033,901
Other revenue	790,736	1,004,247	549	1,781	39,561	(74,289)	830,846	931,739
Water and sewer	12,947,897	16,744,996	-	-	-	-	12,947,897	16,744,996
Prov of MB - Unconditional Grants	1,881,354	2,841,697	-	-	-	-	1,881,354	2,841,697
Prov of MB - Conditional Grants	2,201,805	557,502	43,887	38,870	148,262	147,615	2,393,954	743,987
Total revenue	\$ 34,034,928	\$ 37,581,008	\$ 62,970	\$ 83,999	\$ 3,280,266	\$ 3,650,961	\$ 37,378,164	\$ 41,315,968
EXPENSES								
Personnel services	\$ 7,606,978	\$ 7,746,153	\$ 43,296	\$ 74,587	\$ 2,012,371	\$ 2,127,088	\$ 9,662,645	\$ 9,947,828
Contract services	6,839,705	6,951,856	5,435	8,705	749,441	360,498	7,594,581	7,321,059
Utilities	1,486,197	1,435,557	2,624	1,603	298,883	317,260	1,787,704	1,754,420
Maintenance materials and supplies	2,698,885	2,635,578	14,999	36,725	244,611	567,283	2,958,495	3,239,586
Grants and contributions	2,324,657	1,956,466	(28,000)	(29,000)	(1,419,351)	(1,165,421)	877,306	762,045
Amortization	3,448,810	2,532,274	17,275	17,275	280,449	238,609	3,746,534	2,788,158
Interest on long term debt	336,348	400,403	-	-	2,753	5,895	339,101	406,298
Other	(30,029)	1,064,820	2,415	38	149,468	62,028	121,854	1,126,886
Total expenses	\$ 24,711,551	\$ 24,723,107	\$ 58,044	\$ 109,933	\$ 2,318,625	\$ 2,513,240	\$ 27,088,220	\$ 27,346,280
Surplus (Deficit)	\$ 9,323,377	\$ 12,857,901	\$ 4,926	\$ (25,934)	\$ 961,641	\$ 1,137,721	\$ 10,289,944	\$ 13,969,688

City of Portage la Prairie
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2020

	General Reserve	Infrastructure Reserve	Equipment Replacement Reserve	Cemetery Reserve	Fire Truck Reserve	Handicap Access Reserve	Land Development Reserve	Environmental Reserve	Computer Reserve	Crescent Lake Reserve	Handivan Reserve	Special Administration Reserve	Capital Levy Reserve
REVENUE													
Investment income	\$ 73,903	\$ 772	\$ 3,782	\$ 19	\$ 3,798	\$ 649	\$ 14,525	\$ 5,718	\$ 1,473	\$ 194	\$ 6	\$ 993	\$ 889
Other income	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	73,903	772	3,782	19	3,798	649	14,525	5,718	1,473	194	6	993	889
EXPENSES													
Investment charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
NET REVENUES	73,903	772	3,782	19	3,798	649	14,525	5,718	1,473	194	6	993	889
TRANSFERS													
Transfers from general operating fund	1,085,527	250,000	100,000	-	150,000	50,000	802,572	-	18,000	2,412	-	-	-
Transfers to general operating fund	(144,704)	-	-	-	-	(984)	-	(1,400)	-	-	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from reserve fund	155,000	-	-	-	-	-	(113,559)	-	-	-	-	-	-
Transfers to reserve fund	120,519	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	(624,681)	-	-	-	-	-	(140,831)	-	(29,083)	-	-	(15,231)	-
CHANGE IN RESERVE FUND BALANCES	665,564	250,772	103,782	19	153,798	49,665	562,707	4,318	(9,610)	2,606	6	(14,238)	889
FUND SURPLUS, BEGINNING OF YEAR	7,911,136	-	371,069	2,068	351,969	50,807	1,471,113	625,334	156,507	21,228	627	111,719	97,013
FUND SURPLUS, END OF YEAR	<u>\$ 8,576,700</u>	<u>\$ 250,772</u>	<u>\$ 474,851</u>	<u>\$ 2,087</u>	<u>\$ 505,767</u>	<u>\$ 100,472</u>	<u>\$ 2,033,820</u>	<u>\$ 629,652</u>	<u>\$ 146,897</u>	<u>\$ 23,834</u>	<u>\$ 633</u>	<u>\$ 97,481</u>	<u>\$ 97,902</u>

SCHEDULE 6

2020														2019
Recreation Dedication Fees Reserve	Sidewalk Reserve	Softball Reserve	Gas Tax Reserve	Glesby Centre Reserve	Accomm. Tax Marketing Reserve	Accom Tax Sask Ave Reserve	BDO Capital Reserve	Library Capital Reserve	Utility Infrastructure Reserve	Utility Replacement Reserve	Utility Nutrient Removal Reserve	Utility IP Capital Reserve	Total	Total
\$ 211	\$ 2,705	\$ 232	\$ 38,476	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,764	\$ 164,905	\$ 172,023	\$ -	\$ 488,037	\$ 652,413
-	-	-	-	-	-	-	-	-	-	-	-	-	-	237
211	2,705	232	38,476	-	-	-	-	-	2,764	164,905	172,023	-	488,037	652,650
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
211	2,705	232	38,476	-	-	-	-	-	2,764	164,905	172,023	-	488,037	652,650
-	172,079	-	715,976	20,000	41,594	41,594	10,000	7,668	-	-	-	-	3,467,422	2,706,999
-	(1,100)	-	-	-	(60,000)	-	-	-	-	(106,916)	-	-	(315,104)	(550,233)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	902,302	2,321,067	547,034	230,175	4,000,578	4,847,025
-	-	-	-	-	-	-	-	-	-	-	-	-	-	(218,390)
-	-	-	-	-	-	-	-	-	-	(120,519)	-	-	(79,078)	-
-	-	-	-	-	-	-	-	-	-	113,559	-	-	234,078	-
-	(286,030)	-	(23,126)	-	(21,605)	-	-	-	-	(4,614,363)	(753,679)	-	(6,508,629)	(5,343,460)
211	(112,346)	232	731,326	20,000	(40,011)	41,594	10,000	7,668	905,066	(2,242,267)	(34,622)	230,175	1,287,304	2,094,591
22,995	298,859	11,458	2,611,479	108,090	141,863	406,707	10,000	1,968	-	12,056,961	12,124,483	-	38,965,453	36,870,862
\$ 23,206	\$ 186,513	\$ 11,690	\$ 3,342,805	\$ 128,090	\$ 101,852	\$ 448,301	\$ 20,000	\$ 9,636	\$ 905,066	\$ 9,814,694	\$ 12,089,861	\$ 230,175	\$ 40,252,757	\$ 38,965,453

City of Portage la Prairie
SCHEDULE OF L.U.D. OPERATIONS
For the Year Ended December 31, 2020

SCHEDULE 7

	<u>2020 Budget</u>	<u>2020 Actual</u>	<u>2019 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, 2020

	<u>2020</u>	<u>2019</u>
	Total	Total
FINANCIAL ASSETS		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	2,504,187	3,896,678
Portfolio investments	-	-
Due from other funds	944,820	-
Other (specify):	-	-
	<u>\$ 3,449,007</u>	<u>\$ 3,896,678</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 404,066	\$ 438,280
Unearned revenue	-	-
Long-term debt (Note 9)	-	-
Due to other funds	-	1,027,527
Other (specify):	-	-
	<u>404,066</u>	<u>1,465,807</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 3,044,941</u>	<u>\$ 2,430,871</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$54,469,338	\$ 49,042,228
Inventories	283,258	250,145
Prepaid expenses	22,088	2,364
	<u>54,774,684</u>	<u>49,294,737</u>
FUND SURPLUS (DEFICIT)	<u>\$57,819,625</u>	<u>\$ 51,725,608</u>
COMMITMENTS AND CONTINGENCIES (Notes 11 and 12)		

City of Portage la Prairie
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2020

SCHEDULE 9

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
REVENUE			
Water			
Water fees	\$ 9,963,760	\$11,697,280	\$11,525,919
Bulk Water fees		13,439	14,768
sub-total- water	<u>9,963,760</u>	<u>11,710,719</u>	<u>11,540,687</u>
Sewer			
Sewer fees	27,000	12,942	28,396
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>27,000</u>	<u>12,942</u>	<u>28,396</u>
Property taxes	-	-	-
Recovery			
Deficit recovery	-	-	-
Debenture recovery	-	-	-
sub-total- recovery	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Operating	-	-	-
Capital	460,000	995,766	4,900,567
sub-total- government transfers	<u>460,000</u>	<u>995,766</u>	<u>4,900,567</u>
Other			
Hydrant rentals	57,725	57,825	57,575
Connection charges	20,000	18,385	22,887
Installation service	-	-	-
Penalties	10,700	5,820	12,004
Contributed tangible capital assets	-	-	-
Investment income	248,460	144,940	182,480
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	1,500	400
sub-total- other	<u>336,885</u>	<u>228,470</u>	<u>275,346</u>
Total revenue	<u>10,787,645</u>	<u>12,947,897</u>	<u>16,744,996</u>

City of Portage la Prairie
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	1,444,564	1,328,936	1,294,548
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
Other (specify)	-	-	-
sub-total- general	<u>1,444,564</u>	<u>1,328,936</u>	<u>1,294,548</u>
Water General			
Purification and treatment	3,128,409	2,898,120	2,493,703
Water purchases	-	-	-
Transmission and distribution	1,766,293	1,145,767	1,535,604
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other (specify)	-	-	-
sub-total- water general	<u>4,894,702</u>	<u>4,043,887</u>	<u>4,029,307</u>
Water Amortization & Interest			
Amortization	-	955,888	322,157
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>955,888</u>	<u>322,157</u>
Sewer General			
Collection system costs	1,336,937	1,085,183	894,206
Treatment and disposal cost	655,752	294,458	326,869
Lift Station costs	432,953	273,923	301,671
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	217,930	-	-
sub-total- sewer general	<u>2,643,572</u>	<u>1,653,564</u>	<u>1,522,746</u>
Sewage Amortization & Interest			
Amortization	-	334,945	322,144
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>-</u>	<u>334,945</u>	<u>322,144</u>
Total expenses	<u>8,982,838</u>	<u>8,317,220</u>	<u>7,490,902</u>
NET OPERATING SURPLUS	1,804,807	4,630,677	9,254,094
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	<u>(1,804,807)</u>	<u>1,463,340</u>	<u>(2,184,586)</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	6,094,017	7,069,508
FUND SURPLUS, BEGINNING OF YEAR		<u>51,725,608</u>	<u>44,656,100</u>
FUND SURPLUS, END OF YEAR		<u>\$57,819,625</u>	<u>\$51,725,608</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the Year Ended December 31, 2020

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 11,068,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,068,092
Grants in lieu of taxation	873,480	-	-	-	-	-	-	873,480
User fees	4,782,588	-	-	-	-	-	2,114,991.00	6,897,579
Permits, licences and fines	341,200	-	-	-	-	-	-	341,200
Investment income	240,000	-	-	-	-	-	32,003.00	272,003
Other revenue	510,579	-	-	-	-	-	40,110.00	550,689
Water and sewer	-	10,787,645	-	-	-	-	-	10,787,645
Grants - Province of Manitoba	3,304,774	-	-	-	-	-	192,149.00	3,496,923
Grants - other	878,286	-	-	-	-	-	963,983.00	1,842,269
Transfers from accumulated surplus	1,310,762	4,092,067	-	-	(5,402,829)	-	-	-
Transfers from reserves	-	-	-	-	-	-	-	-
Total revenue	\$ 23,309,761	\$ 14,879,712	\$ -	\$ -	\$ (5,402,829)	\$ -	\$ 3,343,236	\$ 36,129,880
EXPENSES								
General government services	\$ 2,575,605	\$ -	\$ 46,120	\$ -	\$ -	\$ -	\$ -	\$ 2,621,725
Protective services	6,154,541	-	203,870	-	-	-	-	6,358,411
Transportation services	2,357,311	-	761,862	-	-	-	58,044.00	3,177,217
Environmental health services	895,734	-	9,958	-	-	-	398,177.00	1,303,869
Public health and welfare services	342,636	-	-	-	-	-	-	342,636
Regional planning and development	412,398	-	14,350	-	-	-	365,228.00	791,976
Resource cons and industrial dev	179,400	-	-	-	-	-	12,675.00	192,075
Recreation and cultural services	2,385,929	-	1,121,816	336,348	-	-	1,542,545.00	5,386,638
Water and sewer services	-	8,982,838	1,290,835	-	-	-	-	10,273,673
Fiscal services:								
Transfer to capital	127,700	992,000	-	-	(1,119,700)	-	-	-
Debt charges	1,553,126	-	-	(1,553,126)	-	-	-	-
Short term interest	388,600	-	-	-	(388,600)	-	-	-
Transfer to reserves	5,876,857	4,904,874	-	-	(10,781,731)	-	-	-
Allowance for tax assets	59,923	-	-	-	(59,923)	-	-	-
Total expenses	\$ 23,309,761	\$ 14,879,712	\$ 3,448,811	\$ (1,216,778)	\$ (12,349,954)	\$ -	\$ 2,376,669	\$ 30,448,220
Surplus (Deficit)	\$ -	\$ -	\$ (3,448,811)	\$ 1,216,778	\$ 6,947,125	\$ -	\$ 966,567	\$ 5,681,660

City of Portage la Prairie
 ANALYSIS OF TAXES ON ROLL
 December 31, 2020

SCHEDULE 11

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 1,030,261	\$ 939,209
Add:		
Tax levy (Schedule 12)	19,491,109	18,771,929
Taxes added	590,792	167,668
Penalties or interest	71,980	147,065
Other accounts added	-	455,632
Sub-total	<u>20,153,881</u>	<u>19,542,294</u>
Deduct:		
Cash collections - current	16,651,914	16,282,389
Cash collections - arrears	955,176	836,592
Writeoffs	-	-
Tax discounts	4,952	6,105
E.P.T.C. - cash advance	2,359,733	2,326,156
Other credits (specify)	-	-
Sub-total	<u>19,971,775</u>	<u>19,451,242</u>
Balance, end of year	<u><u>\$ 1,212,367</u></u>	<u><u>\$ 1,030,261</u></u>

City of Portage la Prairie
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2020

SCHEDULE 12

	2020			2019
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
Debt - PCU Centre	\$ 569,903,280	\$ 2.48	1,412,790	1,408,404
Debt - NE Transportation Route	\$ 569,903,280	\$ 0.05	25,646	60,970
sub-total - Debt charges			<u>1,438,436</u>	<u>1,469,374</u>
Deferred surplus	\$ -	\$ -	-	-
Reserves:				
Reserve - Glesby Centre	\$ 569,903,280	\$ 0.03	18,807	18,291
Reserve - Handicap Access	\$ 569,903,280	\$ 0.08	46,732	-
Reserve - Fire	\$ 569,903,280	\$ 0.24	139,056	170,715
Reserve - Sidewalk	\$ 569,903,280	\$ 0.28	159,573	10,161
Reserve - General	\$ 569,903,280	\$ 0.04	23,366	159,538
Reserve - Equipment Replacemer	\$ 569,903,280	\$ 0.16	92,894	
sub-total - Reserves			<u>480,428</u>	<u>358,705</u>
General municipal	\$ 569,903,280	\$ 15.79	9,001,052	8,724,787
Special levies:				
Assessment Levy	\$ 569,903,280	\$ 0.26	148,175	147,852
Business tax (rate%)	\$ -	\$ -	-	-
Total municipal taxes (Schedule 2)			<u>11,068,092</u>	<u>10,700,718</u>
Education support levy	\$ 140,472,170	\$ 8.83	1,240,088	1,244,891
Special levies:				
Portage la Prairie School Division	\$ 554,067,310	\$ 12.96	7,182,929	6,826,320
Total education taxes			<u>8,423,017</u>	<u>8,071,211</u>
Total tax levy (Schedule 11)			<u>\$ 19,491,109</u>	<u>\$ 18,771,929</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2020

	2020 Actual	2019 Actual
General government services:		
Legislative	\$ 265,121	\$ 241,824
General administrative	2,056,451	1,870,521
Other (specify)	(122,187)	835,968
	<u>2,199,385</u>	<u>2,948,313</u>
Protective services:		
Police	3,594,354	3,379,456
Fire	2,447,220	2,239,573
Emergency measures	120,961	306,622
Other (specify)	69,231	77,507
	<u>6,231,766</u>	<u>6,003,158</u>
Transportation services:		
Road transport		
Administration and engineering	255,821	305,382
Road and street maintenance	1,679,969	2,107,604
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	64,792	93,502
Street lighting	253,481	252,724
Other (specify)	-	-
Air transport	-	-
Public transit	-	29,000
Other (specify)	-	-
	<u>2,254,063</u>	<u>2,788,212</u>
Environmental health services:		
Waste collection and disposal	611,112	540,556
Recycling	242,465	239,751
Other (specify)	-	-
	<u>853,577</u>	<u>780,307</u>
Public health and welfare services:		
Public health	180,320	150,476
Medical care	-	-
Social assistance	70,721	70,721
Other (specify)	-	-
	<u>251,041</u>	<u>221,197</u>
Regional planning and development		
Planning and zoning	14,850	19,620
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	195,435	218,086
Other (specify)	178,756	198,676
	<u>389,041</u>	<u>436,382</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	150,150	150,150
Industrial development	68,711	12,270
Tourism	952	1,362
Other (specify)	(5,446)	10,000
	<u>214,367</u>	<u>173,782</u>
Sub-totals forward	<u>12,393,240</u>	<u>13,351,351</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2020

	<u>2020 Actual</u>	<u>2019 Actual</u>
Sub-totals forward	<u>12,393,240</u>	<u>13,351,351</u>
Recreation and cultural services:		
Administration	1,417,775	1,288,886
Community centers and halls	72,900	72,900
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	5,449	5,280
Parks and playgrounds	441,141	449,976
Other recreational facilities	1,536,328	1,654,077
Museums	-	-
Libraries	466,070	327,815
Other cultural facilities	59,750	81,920
	<u>3,999,413</u>	<u>3,880,854</u>
Total expenses	<u>\$ 16,392,653</u>	<u>\$ 17,232,205</u>

City of Portage la Prairie
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
December 31, 2020

SCHEDULE 14

	General	2020 Utility	Total	2019 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 2,351,288	\$ 2,383,837	\$ 4,735,125	\$ 2,420,635
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	1,952,245	391,938	2,344,183	7,554,024
Eliminate revenue - transfers from reserves	(1,305,249)	(3,572,206)	(4,877,455)	(6,112,083)
Increase revenue - reserve funds interest	488,037	-	488,037	652,650
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	966,567	-	966,567	1,111,787
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	(1,714,945)
Decrease expense - gain on sale of tangible capital assets	(1,116)	-	(1,116)	43,219
Eliminate revenue - proceeds on sale of tangible capital assets	(1,256)	-	(1,256)	(94,791)
Increase expense - amortization of tangible capital assets	(2,157,977)	(1,290,833)	(3,448,810)	(2,532,274)
Decrease expense - principal portion of debenture debt	1,179,098	-	1,179,098	1,154,424
Eliminate expense - acquisitions of tangible capital assets	2,187,628	6,717,943	8,905,571	11,487,042
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	<u>\$ 5,659,265</u>	<u>\$ 4,630,679</u>	<u>\$10,289,944</u>	<u>\$13,969,688</u>