

# CITY OF DAUPHIN

**Consolidated Financial Statements  
For the Year Ended December 31, 2016**

## STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the *City of Dauphin* and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

Council of the Municipality met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

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

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



## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated financial statements of the City of Dauphin, which comprise the consolidated statement of financial position as at December 31, 2016 and the consolidated statements of operations, change in net financial assets, cash flows and supporting schedules for the year ended December 31, 2016, and a summary of significant accounting policies and other explanatory information.

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

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Dauphin as at December 31, 2016, and the results of its consolidated operations, change in net financial assets, cash flows and supporting schedules for the year ended December 31, 2016 in accordance with Canadian Public Sector Accounting Standards.

Chartered Professional Accountants

June 26, 2017  
Dauphin, Manitoba

# **CITY OF DAUPHIN**

## **Consolidated Financial Statements**

**For the Year Ended December 31, 2016**

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**CITY OF DAUPHIN**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2016**

	<u>2016</u>	<u>2015</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 9,230,326	\$ 8,381,555
Amounts receivable (Note 4)	1,644,046	1,454,460
Portfolio investments (Note 5)	253,262	243,280
Loans and advances	36,956	46,614
Inventories for resale (Note 6)	32,043	43,185
	<u>\$ 11,196,633</u>	<u>\$ 10,169,094</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 7)	\$ 1,791,577	\$ 2,431,224
Severance and vested sick leave payable	422,471	369,445
Deferred revenue	236,214	347,909
Landfill closure and post closure liabilities (Note 8)	273,442	260,129
Long-term debt (Note 9)	1,037,612	635,187
	<u>\$ 3,761,316</u>	<u>\$ 4,043,894</u>
<b>NET FINANCIAL ASSETS</b>	<u>\$ 7,435,317</u>	<u>\$ 6,125,200</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 48,243,957	\$ 48,372,258
Inventories for use (Note 6)	202,505	198,575
Prepaid expenses	160,326	194,546
	<u>48,606,788</u>	<u>48,765,379</u>
<b>ACCUMULATED SURPLUS (Note 14)</b>	<u>\$ 56,042,105</u>	<u>\$ 54,890,579</u>

**COMMITMENTS AND CONTINGENCIES (NOTE 10)**

Approved on behalf of Council:

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Eric Irwin - Mayor

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

**CITY OF DAUPHIN**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**Year Ended December 31, 2016**

	<b>2016 Budget (Note 13)</b>	<b>2016 Actual</b>	<b>2015 Actual</b>
<b>REVENUE</b>			
Property taxes	\$ 5,880,640	\$ 5,868,731	\$ 5,673,383
Grants in lieu of taxation	378,066	369,145	368,155
User fees	2,162,138	2,154,786	1,879,120
Grants - Province of Manitoba	1,867,706	2,077,961	2,019,661
Grants - other	1,053,362	940,370	829,582
Permits, licences and fines	193,432	226,535	184,044
Investment income	57,755	238,761	223,084
Other revenue	689,628	670,377	740,925
Water and sewer	3,683,101	2,876,699	3,156,912
<b>Total revenue (Schedules 2, 4 and 5)</b>	<b>15,965,828</b>	<b>15,423,365</b>	<b>15,074,866</b>
<b>EXPENSES</b>			
General government services	1,411,741	1,323,066	1,279,361
Protective services	2,887,896	2,571,361	2,761,231
Transportation services	2,758,734	2,766,802	2,648,770
Environmental health services	847,535	981,118	804,825
Public health and welfare services	87,350	85,792	185,267
Regional planning and development	167,579	158,220	127,125
Resource conservation and industrial development	574,933	449,500	346,581
Recreation and cultural services	3,374,002	3,236,446	3,265,942
Water and sewer services	2,896,185	2,692,722	2,693,241
<b>Total expenses (Schedules 3, 4 and 5)</b>	<b>15,005,955</b>	<b>14,265,027</b>	<b>14,112,343</b>
<b>ANNUAL SURPLUS</b>	<b>\$ 959,873</b>	<b>1,158,338</b>	<b>962,523</b>
<b>ADJUSTMENT FOR CHANGE IN PARTNERSHIP INTEREST (Note 12)</b>		<b>(6,812)</b>	<b>(5,218)</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<b>54,890,579</b>	<b>53,933,274</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<b>\$ 56,042,105</b>	<b>\$ 54,890,579</b>

**CITY OF DAUPHIN**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**Year Ended December 31, 2016**

	<b>2016 Budget (Note 13)</b>	<b>2016 Actual</b>	<b>2015 Actual</b>
<b>ANNUAL SURPLUS</b>	<b>\$ 959,873</b>	<b>\$ 1,158,338</b>	<b>\$ 962,523</b>
Acquisition of tangible capital assets	(4,282,933)	(2,630,188)	(3,253,988)
Amortization of tangible capital assets	2,622,224	2,622,224	2,517,738
Adjustment for change in percentage of partnership (Note 12)	-	(4,111)	(3,117)
Loss (Gain) on sale of tangible capital assets	-	106,563	(390,889)
Proceeds on sale of tangible capital assets	-	27,000	664,822
Decrease (increase) in inventories for use	-	(3,930)	11,138
Decrease (increase) in prepaid expense	-	34,221	(61,919)
	<b>(1,660,709)</b>	<b>151,779</b>	<b>(516,215)</b>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>\$ (1,660,709)</b>	<b>1,310,117</b>	<b>446,308</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<b>6,125,200</b>	<b>5,678,892</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<b>\$ 7,435,317</b>	<b>\$ 6,125,200</b>

**CITY OF DAUPHIN**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2016**

	<u>2016</u>	<u>2015</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 1,158,338	\$ 962,523
Changes in non-cash items:		
Amounts receivable	(189,586)	345,372
Inventories	7,212	3,030
Prepays	34,221	(61,919)
Accounts payable and accrued liabilities	(639,647)	(290,529)
Severance and vested sick leave payable	53,026	(13,191)
Deferred revenue	(111,695)	260,567
Landfill closure and post closure liabilities	13,313	12,682
Loss (Gain) on sale of tangible capital asset	106,563	(390,889)
Amortization	<u>2,622,224</u>	<u>2,517,738</u>
Cash provided by operating transactions	<u>3,053,969</u>	<u>3,345,384</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets	27,000	664,822
Cash used to acquire tangible capital assets	<u>(2,630,188)</u>	<u>(3,253,988)</u>
Cash applied to capital transactions	<u>(2,603,188)</u>	<u>(2,589,166)</u>
<b>INVESTING TRANSACTIONS</b>		
Adjustment for change in percentage of partnerships (Note 12)	(4,111)	(3,117)
Loans and advances repaid (advanced)	9,658	11,956
Redemption (Purchase) of portfolio investments	<u>(9,982)</u>	<u>4,067</u>
Cash provided by (applied to) investing transactions	<u>(4,435)</u>	<u>12,906</u>
<b>FINANCING TRANSACTIONS</b>		
Loan proceeds received	649,070	-
Debt repayment to 3rd party	<u>(246,645)</u>	<u>(245,296)</u>
Cash provided by (applied to) financing transactions	<u>402,425</u>	<u>(245,296)</u>
<b>INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS</b>	<b>848,771</b>	<b>523,828</b>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u><b>8,381,555</b></u>	<u><b>7,857,727</b></u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u><u><b>\$ 9,230,326</b></u></u>	<u><u><b>\$ 8,381,555</b></u></u>



**CITY OF DAUPHIN**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2016**

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

The incorporated City of Dauphin ("the City") is a municipal government that was created in 1998 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Municipality owns one utility, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

**2. Significant Accounting Policies**

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of The Chartered Professional Accountants Canada and reflect the following significant accounting policies:

**a) Reporting Entity**

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the municipality. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

**Dauphin Community Concert Band**

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

Riverside Cemetery Board (50%)(2015 - 50%)  
Parkland Regional Library Service (20.75%)(2015 - 21.92%)  
Dauphin Public Library (78.95%)(2015 - 78.95%)  
Dauphin Regional Airport Authority Inc. (78.95%)(2015 - 78.95%)  
Dauphin Recreation Services (78.95%)(2015 - 78.95%)

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. The trust funds administered by the Municipality are presented in Schedule 7 - Schedule of Trust Funds. The Municipality held no funds in trust on December 31, 2016.

**b) Basis of Accounting**

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

**c) Cash and Temporary Investments**

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

**d) Investments**

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

Portfolio investments are accounted for at cost.

2. Significant Accounting Policies (continued)

e) Real Estate Properties Held for Sale

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

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

f) Landfill Closure and Post Closure Liabilities

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

g) Non-Financial Assets

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

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

h) Tangible Capital Assets

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

General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 100 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	4 to 10 years

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years
Water and Sewer	
Land	Indefinite
Land improvements	50 years
Buildings	25 to 40 years
Underground networks	40 to 75 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

h) Tangible Capital Assets (continued)

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the municipality, forests, water, and other natural resources are not recognized as tangible capital assets.

## 2. Significant Accounting Policies (continued)

### i) Leases

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

### j) Inventories

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

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

### k) Revenue Recognition

Revenues are recognized as they are earned and measurable.

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

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

### l) Measurement Uncertainty

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

Measurement uncertainty in these financial statements exists in the accrual of the landfill closure and post closure liabilities. The accrual of the landfill liabilities is based on estimated future cash flows discounted to the financial statement date. The estimate of the future cash flows and the closure date of the landfill are based upon the best estimates by management. The actual future cash flows and closure date may differ significantly.

### m) Recent Accounting Pronouncements

#### *Related Party Disclosures (PS 2200)*

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

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

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

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

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

## 2 Significant Accounting Policies (continued)

### m) Recent Accounting Pronouncements (continued)

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

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

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

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

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

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

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

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

## 3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	2016	2015
Cash	\$ 2,895,207	\$ 2,172,263
Temporary Investments	6,335,119	6,209,292
	<u>\$ 9,230,326</u>	<u>\$ 8,381,555</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The City has designated \$7,736,421 (2015 - \$6,801,939) 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.

	2016	2015
Taxes on roll (Schedule 11)	\$ 610,623	\$ 367,860
Grants in lieu	-	-
Government grants	105,206	290,155
Utility customers	343,520	354,977
Accrued interest	44,049	43,146
Organizations and individuals	551,814	402,890
Other governments	63,536	69,179
	<u>1,718,748</u>	<u>1,528,207</u>
Less allowances for doubtful amounts	<u>(74,702)</u>	<u>(73,747)</u>
	<u>\$ 1,644,046</u>	<u>\$ 1,454,460</u>

The City of Dauphin encourages property owners to prepay property taxes by using an electronic funds transfer program. As at December 31, 2016, the City was in receipt of \$182,987 (2015 - \$178,865) in prepaid property taxes. The Taxes on Roll balance outstanding on December 31, 2016 and 2015 is net of these credits.

## 5. Portfolio Investments

	2016	2015
Marketable securities:		
- Toronto Dominion Mutual Funds	\$ 225,447	\$ 215,025
Term Deposit	27,059	27,730
Other investments	756	525
	<u>\$ 253,262</u>	<u>\$ 243,280</u>

The aggregate market value of the marketable securities at December 31, 2016 is \$225,447 (2015 - \$215,025). Portfolio investments earned \$10,421 in investment income during the year and earned investment income in 2015 of \$1,026.

## 6. Inventories

### Inventories for sale:

	2016	2015
Food and beverages	\$ 8,817	\$ 9,103
Fuel (Airport)	23,226	34,082
	<u>\$ 32,043</u>	<u>\$ 43,185</u>

### Inventories for use:

Chemicals	17,048	15,864
Pipes and water supplies	136,126	137,473
Aggregate and other	49,331	45,238
	<u>\$ 202,505</u>	<u>\$ 198,575</u>

## 7. Accounts Payable and Accrued Liabilities

	2016	2015
Accounts payable and accrued expenses	\$ 924,100	\$ 902,367
Accrued interest payable	3,853	2,948
School levies (Schedule 13)	174,037	150,070
Other governments	689,587	1,375,839
	<u>\$ 1,791,577</u>	<u>\$ 2,431,224</u>

## 8. Landfill Closure and Post Closure Liabilities

### a) Operating Landfill Site

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

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

	2016	2015
Estimated closure and post closure costs over the next 33 years	\$ 910,275	\$ 910,275
Discount rate	3.75%	3.75%
Discounted costs	\$ 364,749	\$ 351,565
Expected year capacity will be reached	2039	2039
Capacity (tonnes):		
Used to date	925,870	913,820
Remaining	309,163	321,213
Total	<u>1,235,033</u>	<u>1,235,033</u>
Percent utilized	74.97%	73.99%
Liability based on percentage	<u>\$ 273,442</u>	<u>\$ 260,129</u>

**9. Long Term Debt**

	<u>2016</u>	<u>2015</u>
<b>General Authority:</b>		
Debenture, interest at 7.0%, payable at \$50,926 annually including interest, maturing December, 2016	-	\$ 47,594
Debenture, interest at 6.875%, payable at \$98,036 annually including interest, maturing December, 2016	-	91,730
Debenture, interest at 4.75%, payable at \$3,614 annually including interest, maturing December, 2031	38,155	39,875
	<u>\$ 38,155</u>	<u>\$ 179,199</u>
<b>Utility Funds:</b>		
Debenture, interest at 7.0%, payable at \$72,032 annually including interest, maturing December, 2016	-	67,320
Debenture, interest at 4.75%, payable at \$29,447 annually including interest, maturing December, 2031	310,879	324,893
Debenture, interest at 4.75%, payable at \$5,780 annually including interest, maturing December, 2031	61,024	63,775
Debenture, interest at 4.125%, payable at \$27,365 annually including interest, maturing December, 2035	355,628	-
Debenture, interest at 4.125%, payable at \$20,925 annually including interest, maturing December, 2035	271,926	-
	<u>\$ 999,457</u>	<u>\$ 455,988</u>
	<u>\$ 1,037,612</u>	<u>\$ 635,187</u>

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

2017	41,767
2018	43,611
2019	45,536
2020	47,547
2021	49,647
Subsequent years	<u>809,504</u>
	<u>\$ 1,037,612</u>

**10. Commitments and Contingencies**

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

On April 1, 2012, the City of Dauphin entered into an agreement with the Government of Canada for the purpose of obtaining municipal policing services. The contract expires in March 2032 and can be terminated on any March 31 anniversary date with two years notice. Under the terms of the contract, the annual costs incurred by the RCMP for the policing services they provide will be cost shared between the City of Dauphin and the Province of Manitoba on a 70/30 basis. The City's cost of policing related services that were provided by the RCMP in 2016 totalled \$1,593,617 (2015 - \$1,807,603).

**Ottenbreit Sanitation Services (2002) Ltd.**

Effective September 2016, the City of Dauphin has negotiated a non-exclusive 10 year contract with Ottenbreit Sanitation Services (2002) Ltd. for the collection, processing and sale of residential recyclables. Annual charges under the contract are determined by recycling weights collected and the number of containers in service. Recycling charges under the contract for the 2016 year were \$53,203.

**Reit-Syd Equipment Ltd.**

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

## 11. Retirement Benefits

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

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$588,840 (2015 - \$545,111) 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, 2015 indicated the plan was 96.1% funded on a going concern basis and had an unfunded solvency liability of \$251.7 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, 2015.

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

## 12. Adjustment for Change in Partnership Interest

The City of Dauphin has formed various partnerships with other municipal governments for the purpose of providing its residents with a variety of programs in a cost effective manner. For some of these programs, the funding allocation between different municipal governments is largely based on current populations and therefore any population changes specific to any one municipal region could have an effect on the overall funding allocation and a municipality's partnership interest. On January 1, 2016, the City of Dauphin's funding responsibility and partnership interest for the programs carried out under Parkland Regional Library was reduced from 21.92% to 20.75%.

As per Chartered Professional Accountants of Canada Handbook section PS3060 40, a change in circumstances affecting a government's interest in a partnership is accounted for prospectively. The change in partnership interest that occurred on January 1, 2016 has been adjusted to accumulated surplus and the prior year figures have not been restated.

## 13. Budget

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

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

## 14. Accumulated Surplus

	2016	2015
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	540,463	540,463
Utility operating fund(s) - Nominal surplus	48,349	48,349
Debenture pending included in nominal surplus	-	(649,070)
TCA tax sale properties included in nominal surplus	(27,032)	(27,032)
TCA net of related borrowings	33,927,244	34,311,849
Landfill closure & post closure liability	(273,442)	(260,129)
Reserve fund surplus	7,736,421	6,801,939
Reserve Fund borrowed to General Fund	-	-
Accumulated surplus of municipality unconsolidated	41,952,003	40,766,369
Accumulated surpluses of consolidated entities	14,090,102	14,124,210
Accumulated surplus per Consolidated Statement of Financial Position	\$ 56,042,105	\$ 54,890,579



## 15. Public Sector Compensation Disclosure

It is a requirement of the *Public Sector Compensation Disclosure Act* that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2016:

a) Compensation paid to members of council amounted to \$101,359 in aggregate.

b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	Compensation	Expenses	Total
Mayor Eric Irwin	\$ 29,195	\$ 5,299	\$ 34,494
Deputy Mayor Allen Dowhan	13,151	4,494	17,645
Councillor Patti Eilers	12,331	2,939	15,270
Councillor Rodney Juba	12,594	2,581	15,175
Councillor Keith Tkachyk	10,515	-	10,515
Councillor Katherine Bellemare	11,651	4,052	15,703
Councillor Devin Shtykalo	11,922	2,594	14,516
	<u>\$ 101,359</u>	<u>\$ 21,959</u>	<u>\$ 123,318</u>

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

Name	Position	Amount
Cameron Abrey	Fire Chief	\$ 78,023
Darrell Aitken	Engineering Technologist	\$ 73,705
Candace Allen	RCMP Detachment Assistant	\$ 50,404
Debbie Austin	Accounting Clerk Engineering 2	\$ 52,484
Grant Baumung	Equipment Operator 4	\$ 51,982
Gavin Bernat	Mechanic 2	\$ 70,903
Bill Brenner	Director of PW & Operations	\$ 110,823
Gale Brunen	Financial Accountant	\$ 52,388
Garry Burla	Equipment Operator 3	\$ 54,186
Carissa Caruk-Ganczar	Economic Development Manager	\$ 67,636
Scott Carr	Director of Finance	\$ 93,008
Brad Collett	Chief Administrative Officer	\$ 149,770
David Derkach	Building Inspector	\$ 82,453
Terry Genik	Public Works Foreman	\$ 85,907
Sharla Griffiths	Assistant Administrative Officer	\$ 87,038
Randy Hlady	Utility Operator 3	\$ 55,820
Jeff Hume	Utility Foreman	\$ 72,547
Joanie Inkster	RCMP Detachment Assistant	\$ 50,401
Bill Kondra	Equipment Operator 3	\$ 50,666
Jason Lobert	Utility Operator 2	\$ 55,673
Gordon Love	Airport Manager	\$ 69,565
Chad McCrady	Utility Operator 1	\$ 51,123
Donald Pepper	Equipment Operator - Side Loader	\$ 50,634
Duane Porath	Mechanic 1	\$ 62,355
Oblin Negrette Sofan	Utility Operator 2	\$ 61,753
Melissa Stefaniw	Tourism Marketing Co-ordinator	\$ 51,782
Joan Tabak	RCMP Detachment Assistant	\$ 51,807
Jeff Weselowski	Utility Foreman - Const. & Maint.	\$ 78,563
Sam Winters	Equipment Operator 3	\$ 51,475
Jean-Louis Guillas	Parkland Reg. Library Director	\$ 68,596
Wayne McIntyre	Operations Manager - Dphn Rec.	\$ 60,899
Brandon Lockerby	Assistant General Manager	\$ 50,411
Eddie Simpson	Parks Lead Hand - Dauphin Rec.	\$ 53,698
Evan Lee	Facility Lead Hand-Dauphin Rec.	\$ 60,455

## 16. Subsequent Events

The City of Dauphin has been notified that due to new regulations for wastewater treatment, an upgrade is required to their wastewater treatment facility. Current costs are estimated to be approximately \$13,000,000. The City is currently working with Federal and Provincial partners to obtain grants to cover a portion of the costs; however, as of the date on these statements, no funding has been secured. It is expected that this regulation change will have a significant impact on the City of Dauphin Utility rates. Upgrades to the wastewater treatment facility are expected to begin in 2018.

Effective January 1, 2017, the R.M. of Dauphin terminated their Dauphin Recreation Services agreement with the City of Dauphin. A new agreement is currently being drafted where the R.M. of Dauphin would contribute an annual fixed grant of \$250,000 in 2017 and a fixed grant of \$250,000 plus inflation in 2018 and 2019. Both Councils will consider a longer term agreement after 2019. This change in funding results in a budget reduction of approximately \$80,000 for Dauphin Recreation Services.

On January 24, 2017 the City of Dauphin agreed to operate the Dauphin Community Band as an internal committee of Council effective January 1, 2018



## 17. Segmented Information

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

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

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

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

## 18. Government Partnerships

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

	2016	2015
<b>Financial Position</b>		
Financial Assets	\$ 1,198,016	\$ 1,034,281
Liabilities	\$ 390,388	\$ 337,462
Net financial assets (liabilities)	\$ 807,628	\$ 696,819
Non-financial assets	\$ 13,279,101	\$ 13,425,921
Accumulated surplus	\$ 14,086,729	\$ 14,122,740
<b>Result of Operations</b>		
Revenues	\$ 1,666,571	\$ 1,527,264
Expenses	\$ 1,695,770	\$ 1,912,184
Annual surplus	\$ (29,199)	\$ (384,920)

## 19. Public Utilities Board

The Public Utilities Board (PUB) regulates the rates charged by all water and sewer utilities, except the City of Winnipeg utility and those utilities operated by the Manitoba Water Services Board. PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. PUB's prescribed accounting policies on tangible capital assets and government transfers do not meet the recommendations of PSAB.

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

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

### Water services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Water Treatment Plant	\$ 3,458,165	\$ -	\$ 150,355	\$ 3,307,810
Industrial Park Water	191,447	-	5,496	185,951
Hydrant upgrades	607,837	-	17,492	590,345
Water meter upgrades	540,711	-	65,986	474,725
Aqueduct upgrades	305,938	-	7,861	298,077
Aqueduct upgrades	51,088	950	1,345	50,693
Brown Reservoir	339,808	-	34,266	305,542
	<u>\$ 5,494,994</u>	<u>\$ 950</u>	<u>\$ 282,801</u>	<u>\$ 5,213,143</u>

### Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Lagoon Cell 1 Upgrades	\$ 130,000	\$ -	\$ 3,250	\$ 126,750
Lagoon Cell 2 Upgrades	149,548	-	3,648	145,900
Lagoon Cell 6 Upgrades	266,003	-	6,333	259,670
Low Pressure Sewer	98,630	-	1,861	96,769
South End Sewer Upgrades	-	51,545	72	51,473
	<u>\$ 644,181</u>	<u>\$ 51,545</u>	<u>\$ 15,164</u>	<u>\$ 680,562</u>

**20. Financial Instruments**

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

CITY OF DAUPHIN

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2016

SCHEDULE 1

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer		2016	2015
Cost										
Opening costs	\$ 6,388,676	\$ 20,351,871	\$ 8,490,664	\$ 265,788		\$ 34,545,419	\$ 28,273,708	\$	98,316,126	\$ 95,730,870
Additions during the year	452,574	106,680	826,575	8,172	150,424	654,686	431,077		2,630,188	3,253,988
Disposals and write downs			(411,014)	(2,883)		(242,441)	(3,606)		(659,944)	(660,770)
Closing costs	\$ 6,841,250	\$ 20,458,551	\$ 8,906,225	\$ 271,077	\$ 150,424	\$ 34,957,664	\$ 28,701,179	\$	100,286,370	\$ 98,324,088
Accumulated Amortization										
Opening accum'd amortization	1,386,970	8,683,023	4,765,059	216,138		20,710,292	14,185,087		49,946,569	47,820,929
Amortization	92,704	486,160	468,306	25,572		791,418	758,064		2,622,224	2,517,738
Disposals and write downs			(324,732)	(2,883)		(195,495)	(3,270)		(526,380)	(386,837)
Closing accum'd amortization	\$ 1,479,674	\$ 9,169,183	\$ 4,908,633	\$ 238,827	\$ -	\$ 21,306,215	\$ 14,939,881	\$	52,042,413	\$ 49,951,830
Net Book Value of Tangible Capital Assets	\$ 5,361,576	\$ 11,289,368	\$ 3,997,592	\$ 32,250	\$ 150,424	\$ 13,651,449	\$ 13,761,298	\$	48,243,957	\$ 48,372,258

**CITY OF DAUPHIN**  
**CONSOLIDATED SCHEDULE OF REVENUES**  
**Year Ended December 31, 2016**

**SCHEDULE 2**

	<b>2016 Actual</b>	<b>2015 Actual</b>
<b>Property taxes:</b>		
Municipal taxes levied (Schedule 12)	\$ 5,614,690	\$ 5,592,542
Taxes added	254,041	80,841
	<b>5,868,731</b>	<b>5,673,383</b>
<b>Grants in lieu of taxation:</b>		
Federal government	39,803	39,601
Provincial government	315,264	315,656
Other local governments	14,078	12,898
	<b>369,145</b>	<b>368,155</b>
<b>User fees</b>		
Parking meters	-	-
Sales of service	1,661,250	1,332,906
Sales of goods	234,402	294,625
Rentals	252,283	240,513
Development charges	6,851	11,076
	<b>2,154,786</b>	<b>1,879,120</b>
<b>Grants - Province of Manitoba</b>		
General assistance payment	1,308,879	1,308,879
General support grant	64,748	65,097
Municipal program grants ( <i>formerly VLT revenues</i> )	124,507	124,507
Conditional grants	579,827	521,178
	<b>2,077,961</b>	<b>2,019,661</b>
<b>Grants - other</b>		
Federal government - gas tax funding	445,605	424,386
Federal government - other	100,844	14,786
Other local governments	393,921	390,410
	<b>940,370</b>	<b>829,582</b>
<b>Permits, licences and fines</b>		
Permits	47,584	47,695
Licences	119,475	77,585
Fines	59,476	58,764
	<b>226,535</b>	<b>184,044</b>
<b>Investment income:</b>		
Cash and temporary investments	224,800	216,130
Marketable securities	10,421	1,026
Customer charges	3,540	5,928
	<b>238,761</b>	<b>223,084</b>
<b>Other revenue:</b>		
Gain (loss) on sale of tangible capital assets	2,575	390,889
Insurance and other rebates	33,329	37,501
Donations	450,141	58,266
Expenses recovered	77,284	154,771
Penalties and interest	94,375	81,071
Other	12,673	18,427
	<b>670,377</b>	<b>740,925</b>
<b>Water and sewer (Schedule 9)</b>	<b>2,876,699</b>	<b>3,156,912</b>
<b>Total revenue</b>	<b>\$ 15,423,365</b>	<b>\$ 15,074,866</b>

## CONSOLIDATED SCHEDULE OF EXPENSES

Year Ended December 31, 2016

	2016 Actual	2015 Actual
<b>General government services:</b>		
Legislative	\$ 101,360	\$ 98,978
General administrative	807,437	764,510
Other	414,269	415,873
	<u>1,323,066</u>	<u>1,279,361</u>
<b>Protective services:</b>		
Police	1,784,854	1,978,233
Fire	573,079	558,878
Emergency measures	4,746	3,792
Other protection	208,682	220,328
	<u>2,571,361</u>	<u>2,761,231</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	494,939	498,978
Road and street maintenance	761,907	659,733
Bridge maintenance	7,895	1,167
Sidewalk and boulevard maintenance	75,946	89,865
Street lighting	159,767	168,470
Other	854,635	789,241
Air transport	411,713	441,316
	<u>2,766,802</u>	<u>2,648,770</u>
<b>Environmental health services:</b>		
Waste collection and disposal	832,055	681,450
Recycling	149,063	123,375
	<u>981,118</u>	<u>804,825</u>
<b>Public health and welfare services:</b>		
Public health	52,043	151,518
Social assistance	33,749	33,749
	<u>85,792</u>	<u>185,267</u>
<b>Regional planning and development</b>		
Planning and zoning	1,458	14,492
Urban renewal	-	-
Beautification and land rehabilitation	140,012	98,369
Urban area weed control	5,440	2,553
Other	11,310	11,711
	<u>158,220</u>	<u>127,125</u>
<b>Resource conservation and industrial development</b>		
Veterinary services	11,646	11,646
Tourism	117,212	120,216
Other	320,642	214,719
	<u>449,500</u>	<u>346,581</u>
<b>Recreation and cultural services:</b>		
Community centers and halls	40,067	38,065
Other recreational facilities	2,840,733	2,866,174
Museums	47,400	47,400
Libraries	308,246	314,303
	<u>3,236,446</u>	<u>3,265,942</u>
<b>Water and sewer services (Schedule 9)</b>	<u>2,692,722</u>	<u>2,693,241</u>
<b>Total expenses</b>	<u>\$ 14,265,027</u>	<u>\$ 14,112,343</u>

CITY OF DAUPHIN

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM  
Year Ended December 31, 2016

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
<b>REVENUE</b>										
Property taxes	\$ 5,868,731	\$ 5,673,383								
Grants in lieu of taxation	369,145	368,155								
User fees	234,456	223,536								
Prov of MB - Unconditional Grants	1,373,627	1,373,976								
Prov of MB - Conditional Grants	5,000	-								
Grants - other	450,899	429,698								
Permits, licences and fines	136,291	100,611								
Investment income	215,443	208,894								
Other revenue	149,232	519,208								
Water and sewer	-	-								
<b>Total revenue</b>	<b>\$ 8,802,824</b>	<b>\$ 8,897,461</b>	<b>\$ 276,303</b>	<b>\$ 418,859</b>	<b>\$ 611,104</b>	<b>\$ 644,886</b>	<b>\$ 909,769</b>	<b>\$ 502,700</b>	<b>\$ 86,305</b>	<b>\$ 50,973</b>
<b>EXPENSES</b>										
Personnel services	\$ 645,802	\$ 591,025	\$ 606,061	\$ 590,178	\$ 1,028,820	\$ 972,190	\$ 250,704	\$ 209,941	\$ 37,226	\$ 41,275
Contract services	123,519	133,468	1,551,661	1,784,622	286,841	269,442	166,204	118,351	38,989	39,022
Utilities	55,201	57,256	37,638	38,889	204,481	214,074	7,984	7,343	1,892	1,817
Maintenance materials & supplies	106,739	92,170	77,629	83,253	479,134	509,615	24,450	13,287	6,016	4,219
Grants and contributions	27,601	29,338	-	-	23,910	22,722	70,132	77,053	-	95,142
Amortization	127,179	130,317	125,785	99,884	1,071,213	1,044,146	92,410	88,897	1,091	3,128
Interest on long term debt	8,819	17,887	-	-	-	-	-	-	-	-
Other	228,206	227,900	172,587	164,405	(327,597)	(383,419)	369,234	289,953	578	664
<b>Total expenses</b>	<b>\$ 1,323,066</b>	<b>\$ 1,279,361</b>	<b>\$ 2,571,361</b>	<b>\$ 2,761,231</b>	<b>\$ 2,766,802</b>	<b>\$ 2,648,770</b>	<b>\$ 981,118</b>	<b>\$ 804,825</b>	<b>\$ 85,792</b>	<b>\$ 185,267</b>
<b>Surplus (Deficit)</b>	<b>\$ 7,479,758</b>	<b>\$ 7,618,100</b>	<b>\$ (2,295,058)</b>	<b>\$ (2,342,372)</b>	<b>\$ (2,155,698)</b>	<b>\$ (2,003,884)</b>	<b>\$ (71,349)</b>	<b>\$ (302,125)</b>	<b>\$ 513</b>	<b>\$ (134,294)</b>

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

CITY OF DAUPHIN

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

Year Ended December 31, 2016

SCHEDULE 4

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total
	2016	2015	2016	2015	2016	2015	2016	2015	
<b>REVENUE</b>									
Property taxes	\$	-	\$	-	\$	-	\$	-	\$ 5,673,383
Grants in lieu of taxation	-	-	-	-	-	-	-	-	368,155
User fees	-	-	-	-	651,767	713,235	-	-	1,879,120
Prov of MB - Unconditional Grants	-	-	10,000	10,000	-	-	-	-	1,373,976
Prov of MB - Conditional Grants	16,687	-	-	302	311,345	248,461	-	-	645,685
Grants - other	-	-	-	-	429,870	350,297	-	-	829,582
Permits, licences and fines	-	-	8,350	-	4,549	4,029	-	-	184,044
Investment income	-	-	-	-	254	1,247	-	-	223,084
Other revenue	3,752	4,407	250,130	18,695	173,657	52,402	-	-	740,925
Water and sewer	-	-	-	-	-	-	2,876,699	3,156,912	3,156,912
Total revenue	\$ 20,439	\$ 4,407	\$ 268,480	\$ 28,997	\$ 1,571,442	\$ 1,369,671	\$ 2,876,699	\$ 3,156,912	\$ 15,074,866
<b>EXPENSES</b>									
Personnel services	\$ 12,462	\$ 13,231	\$ 158,890	\$ 143,320	\$ 1,497,424	\$ 1,458,299	\$ 886,052	\$ 852,126	\$ 4,871,585
Contract services	110,687	78,990	38,125	12,608	184,079	187,887	192,471	165,922	2,790,312
Utilities	-	-	6,168	6,369	257,679	259,171	147,906	140,789	725,708
Maintenance materials & supplies	2,012	4,039	3,041	3,107	432,214	492,770	514,993	610,526	1,812,986
Grants and contributions	27,900	25,013	11,646	11,646	404,430	348,622	-	-	609,536
Amortization	-	-	13,657	7,660	432,825	449,323	758,064	694,383	2,517,738
Interest on long term debt	-	-	1,887	1,965	-	-	32,607	30,065	49,917
Other	5,159	5,852	216,086	159,906	27,795	69,870	160,629	199,430	734,561
Total expenses	\$ 158,220	\$ 127,125	\$ 449,500	\$ 346,581	\$ 3,236,446	\$ 3,265,942	\$ 2,692,722	\$ 2,693,241	\$ 14,112,343
Surplus (Deficit)	\$ (137,781)	\$ (122,718)	\$ (181,020)	\$ (317,584)	\$ (1,665,004)	\$ (1,896,271)	\$ 183,977	\$ 463,671	\$ 962,523

## CITY OF DAUPHIN

## SCHEDULE 5

## CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

Year Ended December 31, 2016

	Core Government		Controlled Entities		Government Partnerships		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>REVENUE</b>								
Property taxes	\$ 5,868,731	\$ 5,673,383	\$ -	-	\$ -	-	\$ 5,868,731	\$ 5,673,383
Grants in lieu of taxation	369,145	368,155	-	-	-	-	369,145	368,155
User fees	1,281,746	948,788	-	-	873,040	930,332	2,154,786	1,879,120
Prov of MB - Unconditional Grants	1,373,627	1,373,976	-	-	-	-	1,373,627	1,373,976
Prov of MB - Conditional Grants	554,469	523,391	-	-	149,865	122,294	704,334	645,685
Grants - other	459,249	429,698	-	-	481,121	399,884	940,370	829,582
Permits, licences and fines	221,986	180,015	-	-	4,549	4,029	226,535	184,044
Investment income	215,443	208,894	-	-	23,318	14,190	238,761	223,084
Other revenue	531,384	680,692	4,315	3,698	134,678	56,535	670,377	740,925
Water and sewer	2,876,699	3,156,912	-	-	-	-	2,876,699	3,156,912
Total revenue	\$ 13,752,479	\$ 13,543,904	\$ 4,315	\$ 3,698	\$ 1,666,571	\$ 1,527,264	\$ 15,423,365	\$ 15,074,866
<b>EXPENSES</b>								
Personnel services	\$ 3,484,960	\$ 3,272,570	\$ -	-	\$ 1,638,481	\$ 1,599,015	\$ 5,123,441	\$ 4,871,585
Contract services	2,480,390	2,562,012	12,618	15,386	199,568	212,914	2,692,576	2,790,312
Utilities	447,436	452,636	-	-	271,513	273,072	718,949	725,708
Maintenance materials and supplies	1,115,715	1,187,514	22	4,742	530,491	620,730	1,646,228	1,812,986
Grants and contributions	2,123,328	2,074,907	(10,446)	(10,713)	(1,547,263)	(1,454,658)	565,619	609,536
Amortization	2,074,007	1,951,133	-	-	548,217	566,605	2,622,224	2,517,738
Interest on long term debt	43,313	49,917	-	-	-	-	43,313	49,917
Other	797,696	639,774	218	281	54,763	94,506	852,677	734,561
Total expenses	\$ 12,566,845	\$ 12,190,463	\$ 2,412	\$ 9,696	\$ 1,695,770	\$ 1,912,184	\$ 14,265,027	\$ 14,112,343
Surplus (Deficit)	\$ 1,185,634	\$ 1,353,441	\$ 1,903	\$ (5,998)	\$ (29,199)	\$ (384,920)	\$ 1,158,338	\$ 962,523



SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
Year Ended December 31, 2016

	2016						
	General Reserve	Machinery Reserve	Fire Reserve	Public Land Reserve	Civic Bldgs Reserve	Gas Tax Reserve	Watson Arts Reserve
REVENUE							
Investment income	\$ 79,907	\$ 12,285	\$ 13,583	\$ 2,064	\$ 7,011	\$ 24,747	\$ 176
TRANSFERS							
Transfers from general operating fund	409,754	250,000	25,000	-	25,000	445,605	5,377
Transfers to general operating fund	(78,837)	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	(205,809)	(389,553)	-	-	-	(316,628)	-
CHANGE IN RESERVE FUND BALANCES	205,015	(127,268)	38,583	2,064	32,011	153,724	5,553
FUND SURPLUS, BEGINNING OF YEAR	3,069,175	454,069	502,040	76,278	259,128	813,974	9,070
FUND SURPLUS, END OF YEAR	\$ 3,274,190	\$ 326,801	\$ 540,623	\$ 78,342	\$ 291,139	\$ 967,698	\$ 14,623
REVENUE							
Investment income	\$ 14,099	\$ 500	\$ 2,868	\$ 6,840	\$ 15,092	\$ 179,172	\$ 170,429
TRANSFERS							
Transfers from general operating fund	50,000			371,589	-	1,582,325	1,257,920
Transfers to general operating fund	-				-	(78,837)	(181,834)
Transfers from utility operating fund	-				454,280	454,280	311,184
Transfers to utility operating fund	-				-	-	(14,900)
Acquisition of tangible capital assets	(90,468)			(200,000)	-	(1,202,458)	(1,002,674)
CHANGE IN RESERVE FUND BALANCES	(26,369)	500	2,868	178,429	469,372	934,482	540,125
FUND SURPLUS, BEGINNING OF YEAR	521,114	18,466	105,981	306,199	666,445	6,801,939	6,261,814
FUND SURPLUS, END OF YEAR	\$ 494,745	\$ 18,966	\$ 108,849	\$ 484,628	\$ 1,135,817	\$ 7,736,421	\$ 6,801,939

CITY OF DAUPHIN

SCHEDULE OF TRUST FUNDS  
Year Ended December 31, 2016

SCHEDULE 7

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

## SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

Year Ended December 31, 2016

	2016	2015
<b>FINANCIAL ASSETS</b>		
Amounts receivable	\$ 370,909	\$ 358,187
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 197,277	\$ 174,322
Long-term debt (Note 9)	999,457	455,988
Other	289,863	949,000
	\$ 1,486,597	\$ 1,579,310
<b>NET DEBT</b>	\$ (1,115,688)	\$ (1,221,123)
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 13,761,298	\$ 14,088,621
Inventories for use	153,175	153,337
Prepaid expenses	11,405	11,078
	13,925,878	14,253,036
<b>FUND SURPLUS</b>	\$ 12,810,190	\$ 13,031,913

COMMITMENTS AND CONTINGENCIES (Notes 10)

**SCHEDULE OF UTILITY OPERATIONS**  
**For the Year Ended December 31, 2016**

	<u>Budget</u>	<u>2016</u>	<u>2015</u>
<b>REVENUE</b>			
<b>Water</b>			
Water fees	\$ 1,697,093	\$ 1,665,757	\$ 1,665,005
Bulk Water fees	57,702	50,587	56,022
sub-total- water	<u>1,754,795</u>	<u>1,716,344</u>	<u>1,721,027</u>
<b>Sewer</b>			
Sewer fees	436,945	429,356	425,072
Lagoon tipping fees	15,080	16,640	13,195
sub-total- sewer	<u>452,025</u>	<u>445,996</u>	<u>438,267</u>
<b>Property taxes</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Government transfers</b>			
Capital	<u>615,019</u>	<u>70,464</u>	<u>410,411</u>
<b>Other</b>			
Hydrant rentals	2,000	2,000	2,000
Connection charges	25,000	23,700	26,000
Installation service	130,000	161,451	115,040
Penalties	6,680	6,430	5,906
Administration fees	447,560	447,850	434,523
Gain (loss) on disposal of assets	-	-	-
Other income	250,022	2,464	3,738
sub-total- other	<u>861,262</u>	<u>643,895</u>	<u>587,207</u>
<b>Total revenue</b>	<u>\$ 3,683,101</u>	<u>\$ 2,876,699</u>	<u>\$ 3,156,912</u>

**CITY OF DAUPHIN**  
**SCHEDULE OF UTILITY OPERATIONS (cont'd)**  
**For the Year Ended December 31, 2016**

**SCHEDULE 9**

	<u>Budget</u>	<u>2016</u>	<u>2015</u>
<b>EXPENSES</b>			
<b>General</b>			
Administration	\$ 458,405	\$ 405,182	\$ 405,658
Training costs	15,000	22,378	31,800
Billing and collection	16,950	17,144	16,979
Utilities (telephone, electricity, etc.)	6,000	5,065	5,968
sub-total- general	<u>496,355</u>	<u>449,769</u>	<u>460,405</u>
<b>Water General</b>			
Purification and treatment	700,453	665,297	720,105
Transmission and distribution	341,020	196,904	301,847
Transportation services	57,500	59,920	52,884
Water supply	74,790	69,141	86,714
Connection costs	31,500	47,689	27,846
Other expenses	70,000	97,953	61,554
sub-total- water general	<u>1,275,263</u>	<u>1,136,904</u>	<u>1,250,950</u>
<b>Water Amortization &amp; Interest</b>			
Amortization	542,796	542,796	510,284
Capital Expenditure	-	-	-
Interest on long term debt	36,671	32,607	30,065
sub-total- water amortization & interest	<u>579,467</u>	<u>575,403</u>	<u>540,349</u>
<b>Sewer General</b>			
Collection system costs	161,400	129,513	104,177
Treatment and disposal cost	112,680	125,087	100,422
Lift Station costs	55,752	60,778	52,840
sub-total- sewer general	<u>329,832</u>	<u>315,378</u>	<u>257,439</u>
<b>Sewage Amortization &amp; Interest</b>			
Amortization	215,268	215,268	184,098
Capital Expenditure	-	-	-
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>215,268</u>	<u>215,268</u>	<u>184,098</u>
<b>Total expenses</b>	<u>2,896,185</u>	<u>2,692,722</u>	<u>2,693,241</u>
<b>NET OPERATING SURPLUS</b>	<b>786,916</b>	<b>183,977</b>	<b>463,671</b>
<b>TRANSFERS</b>			
Eliminating PSAB entries	(316)	13,353	45,751
Transfers from general operating	35,227	35,227	-
Transfers from (to) reserve funds	<u>(50,000)</u>	<u>(454,280)</u>	<u>(234,871)</u>
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>\$ 771,827</u>	<u>(221,723)</u>	<u>274,551</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<u>13,031,913</u>	<u>12,757,362</u>
<b>FUND SURPLUS, END OF YEAR</b>		<u>\$ 12,810,190</u>	<u>\$ 13,031,913</u>

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 5,880,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,880,640
Grants in lieu of taxation	378,066	-	-	-	-	-	-	378,066
User fees	1,565,421	-	-	-	(395,000)	-	991,717	2,162,138
Grants - Province of Manitoba	1,757,378	-	-	-	-	-	110,328	1,867,706
Grants - other	663,005	-	-	-	-	-	390,357	1,053,362
Permits, licences and fines	189,800	-	-	-	-	-	3,632	193,432
Investment income	39,250	-	-	-	-	-	18,505	57,755
Other revenue	709,037	-	-	-	(147,061)	-	127,652	689,628
Water and sewer	-	3,736,461	-	-	(53,360)	-	-	3,683,101
Transfers from General Fund	-	35,227	-	-	(35,227)	-	-	-
Transfers from debenture	-	-	-	-	-	-	-	-
Transfers from reserves	-	-	-	-	-	-	-	-
Transfers from reserves	134,479	-	-	-	(134,479)	-	-	-
Total revenue	\$ 11,317,076	\$ 3,771,688	\$ -	\$ -	\$ (765,127)	\$ -	\$ 1,642,191	\$ 15,965,828
EXPENSES								
General government services	\$ 1,317,201	\$ -	\$ 127,180	\$ 9,638	\$ (52,678)	\$ -	\$ 10,400	\$ 1,411,741
Protective services	2,815,471	-	125,785	-	(53,360)	-	-	2,887,896
Transportation services	1,596,231	-	1,071,212	-	(113,645)	-	204,936	2,758,734
Environmental health services	891,811	-	92,410	-	(150,000)	13,314	-	847,535
Public health and welfare services	34,249	-	1,091	-	-	-	52,010	87,350
Regional planning and development	167,579	-	-	-	-	-	-	167,579
Resource cons and industrial dev	559,382	-	13,657	1,894	-	-	-	574,933
Recreation and cultural services	1,685,592	-	432,825	-	275,893	-	979,692	3,374,002
Water and sewer services	-	2,155,127	758,064	36,671	(53,677)	-	-	2,896,185
Fiscal services:								
Transfer to Utility	35,227	-	-	-	(35,227)	-	-	-
Property tax discounts	-	-	-	-	-	-	-	-
Transfer to capital	664,186	1,424,289	-	-	(2,088,475)	-	-	-
Debt charges	152,576	142,272	-	(294,848)	-	-	-	-
Transfer to reserves	1,372,571	50,000	-	-	(1,422,571)	-	-	-
Allowance for tax assets	25,000	-	-	-	(25,000)	-	-	-
Total expenses	\$ 11,317,076	\$ 3,771,688	\$ 2,622,224	\$ (246,645)	\$ (3,718,740)	\$ 13,314	\$ 1,247,038	\$ 15,005,955
Surplus (Deficit)	\$ -	\$ -	\$ (2,622,224)	\$ 246,645	\$ 2,953,613	\$ (13,314)	\$ 395,153	\$ 959,873

**CITY OF DAUPHIN  
ANALYSIS OF TAXES ON ROLL  
Year Ended December 31, 2016**

**SCHEDULE 11**

	<u>2016</u>	<u>2015</u>
<b>Balance, beginning of year</b>	<b>\$ 367,860</b>	<b>\$ 405,873</b>
<b>Add:</b>		
Tax levy (Schedule 12)	10,405,291	10,568,349
Taxes added	254,041	80,841
Penalties or interest	94,375	81,071
Transfers and adjustments	51,670	130,437
<b>Sub-total</b>	<b>10,805,377</b>	<b>10,860,698</b>
<b>Deduct:</b>		
Cash collections - arrears	325,639	516,337
Cash collections - current	8,729,715	8,804,742
Writeoffs	7,180	34,126
Tax discounts		-
M.P.T.C. - cash advance	1,500,080	1,543,506
Other credits (Soldier Tax Credit)		-
<b>Sub-total</b>	<b>10,562,614</b>	<b>10,898,711</b>
<b>Balance, end of year</b>	<b>\$ 610,623</b>	<b>\$ 367,860</b>

CITY OF DAUPHIN  
 ANALYSIS OF TAX LEVY  
 Year Ended December 31, 2016

SCHEDULE 12

	2016			2015
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
LI.D.	345,477,010	0.109	\$ 37,657	\$ 38,058
Other (At Large)	286,423,950	0.491	\$ 140,634	140,309
Reserves:				
Equipment replacement	286,423,950	0.822	\$ 235,440	235,341
Fire Equipment replacement	286,423,950	0.083	\$ 23,773	23,692
Recreation	286,423,950	0.165	\$ 47,260	47,121
Civic Building	286,423,950	0.083	\$ 23,773	23,692
General Municipal				
At Large	286,423,950	17.851	\$ 5,112,954	5,086,413
Special Levy	-	-	\$ -	11,320
School Division not rateable property			\$ (26,044)	(31,181)
Business tax			19,243	17,777
Total municipal taxes (Schedule 2)			5,614,690	5,592,542
Education support levy			748,903	750,933
Special levy:				
Mountain View School Division			4,015,654	4,193,693
MVSD - not rateable property			26,044	31,181
Total education taxes			4,790,601	4,975,807
Total tax levy (Schedule 11)			\$ 10,405,291	\$ 10,568,349



CITY OF DAUPHIN

ANALYSIS OF SCHOOL ACCOUNTS  
Year Ended December 31, 2016

SCHEDULE 13

	2016			2015	
	Opening Balance	Current Requirement	Current Payment	Ending Balance	Ending Balance
Education support levy	\$ 34,162	\$ 894,173	\$ (887,203)	\$ 41,132	\$ 34,162
Special levies					
Mountain View School Division	115,908	4,313,511	(4,296,514)	132,905	115,908
Total	<u>\$ 150,070</u>	<u>\$ 5,207,684</u>	<u>\$ (5,183,717)</u>	<u>\$ 174,037</u>	<u>\$ 150,070</u>

## SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2016

	2016 Actual	2015 Actual
<b>General government services:</b>		
Legislative	\$ 101,360	\$ 98,978
General administrative	807,437	764,510
Other	259,678	250,860
Allowance for Tax Assets	25,000	25,000
Amortization	127,179	130,317
	<u>1,320,654</u>	<u>1,269,665</u>
<b>Protective services:</b>		
Police	1,784,854	1,978,233
Fire	447,294	458,994
Emergency measures	4,746	3,792
Other	208,682	220,328
Amortization	125,785	99,884
	<u>2,571,361</u>	<u>2,761,231</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	494,939	498,978
Road and street maintenance	761,907	659,733
Bridge maintenance	7,895	1,167
Sidewalk and boulevard maintenance	75,946	89,865
Street lighting	159,767	168,470
Other	(84,638)	(123,467)
Amortization	939,273	912,708
Air transport	113,588	107,943
	<u>2,468,677</u>	<u>2,315,397</u>
<b>Environmental health services:</b>		
Waste collection and disposal	739,645	592,553
Recycling	149,063	123,375
Amortization	92,410	88,897
	<u>981,118</u>	<u>804,825</u>
<b>Public health and welfare services:</b>		
Public Health	33	95,268
Social assistance	33,749	33,749
	<u>33,782</u>	<u>129,017</u>
<b>Regional planning and development</b>		
Planning and zoning	1,458	14,492
Urban renewal	-	-
Beautification and land rehabilitation	140,012	98,369
Urban area weed control	5,440	2,553
Other	11,310	11,711
	<u>158,220</u>	<u>127,125</u>
<b>Resource conservation and industrial development</b>		
Veterinary services	11,646	11,646
Regional development	-	-
Tourism	117,212	120,216
Other	306,985	207,059
Amortization	13,657	7,660
	<u>449,500</u>	<u>346,581</u>
<b>Recreation and cultural services:</b>		
Community centers and halls	37,659	36,012
Other recreational facilities	1,673,700	1,528,272
Museums	47,400	47,400
Libraries	114,413	114,413
Amortization	17,639	17,284
	<u>1,890,811</u>	<u>1,743,381</u>
<b>Total expenses</b>	<u>\$ 9,874,123</u>	<u>\$ 9,497,222</u>

## CITY OF DAUPHIN

## SCHEDULE 15

## SCHEDULE OF L.U.D. OPERATIONS

For the Year Ended December 31, 2016

	2016 Budget	2016 Actual	2015 Actual
<b>Revenue</b>			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
Total revenue	-	-	-
<b>Expenses</b>			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	-	-	-
<b>Net revenues (expenses)</b>	-	-	-
<b>Transfers:</b>			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
<b>Change in L.U.D. balances</b>	-	-	-
<b>Unexpended balance, beginning of year</b>		-	-
<b>Unexpended balance, end of year</b>		-	-

**SCHEDULE OF DEBENTURES PENDING**  
**Year Ended December 31, 2016**

**SCHEDULE OF DEBENTURES PENDING**  
**Year Ended December 31, 2016**

**SCHEDULE OF DEBENTURES PENDING**  
**Year Ended December 31, 2016**

## CITY OF DAUPHIN

## RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)

December 31, 2016

## SCHEDULE 17

	2016		2015	
	General	Utility	Total	Total
<b>MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT</b>				
Adjustments for reporting under public sector accounting standards				
<b>Adjustments resulting in increase to surplus</b>				
Eliminate expense - transfers to reserves	1,582,325	454,280	2,036,605	1,569,104
Eliminate expense - acquisitions of tangible capital assets	1,794,314	431,077	2,225,391	3,140,385
Eliminating entries between funds	48,580	(48,580)	-	-
Eliminate expense - principal portion of debenture debt	141,045	105,600	246,645	245,296
Increase revenue - accounting gain (loss) on sale of assets	(106,227)	(336)	(106,563)	390,889
Increase revenue - reserve funds interest	179,173	-	179,173	170,429
<b>Adjustments resulting in decrease to surplus</b>				
Increase expense - landfill liability expense	(13,314)	-	(13,314)	(12,682)
Increase expense - amortization of tangible capital assets	(1,315,943)	(758,064)	(2,074,007)	(1,951,133)
Eliminate revenue - transfers from reserves	(1,281,296)	-	(1,281,296)	(1,199,406)
Eliminate revenue - debenture proceeds	-	-	-	(334,616)
Eliminate revenue - proceeds on sale of assets (excluding arrears on Tax Sale properties)	(27,000)	-	(27,000)	(664,825)
	-	-	-	-
<b>Net Surplus (Deficit) Unconsolidated</b>	\$ 1,001,657	\$ 183,977	\$ 1,185,634	\$ 1,353,441
<b>Surplus (Deficit) of Consolidated entities</b>	(27,296)	-	(27,296)	(390,918)
<b>NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS</b>	\$ 974,361	\$ 183,977	\$ 1,158,338	\$ 962,523

