

CITY OF PORTAGE LA PRAIRIE

**Consolidated Financial Statements
For the Year Ended December 31, 2013**

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 Canadian public sector accounting standards.

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

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

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

Nettie Neudorf
Director of Finance

INDEPENDENT AUDITORS' REPORT

To the Mayor and members of Council of the
CITY OF PORTAGE LA PRAIRIE

We have audited the accompanying consolidated financial statements of the City of Portage la Prairie, which comprise the consolidated statement of financial position as at December 31, 2013 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2013, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Portage la Prairie as at December 31, 2013, and the results of its consolidated operations, change in net financial assets, cash flows and supporting schedules for the year ended December 31, 2013 in accordance with Canadian Public Sector Accounting Standards.

[Auditor's signature]

[Date of the auditor's report]
Portage la Prairie, Manitoba

Chartered Accountants

CITY OF PORTAGE LA PRAIRIE

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**CITY OF PORTAGE LA PRAIRIE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2013**

	<u>2013</u>	<u>2012</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 19,011,913	\$ 14,767,911
Amounts receivable (Note 4)	3,331,492	2,911,372
Portfolio investments (Note 5)	6,500,228	6,326,896
Real estate properties held for sale	118,019	132,895
Other inventories for sale (Note 6)	4,139	6,714
	<u>\$ 28,965,791</u>	<u>\$ 24,145,788</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 4,205,216	\$ 4,872,328
Deferred revenue	69,174	64,324
Landfill closure and post closure liabilities (Note 8)	35,014	-
Long-term debt (Note 9)	17,346,254	19,452,953
	<u>21,655,658</u>	<u>24,389,605</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 7,310,133</u>	<u>\$ (243,817)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 65,378,743	\$ 68,489,732
Inventories (Note 6)	299,179	276,043
Prepaid expenses	92,305	252,281
	<u>65,770,227</u>	<u>69,018,056</u>
ACCUMULATED SURPLUS (Note 13)	<u>\$ 73,080,360</u>	<u>\$ 68,774,239</u>

Approved on behalf of Council:

Mayor

Councillor

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, 2013

	<u>2013 Budget (Note 12)</u>	<u>2013 Actual</u>	<u>2012 Actual</u>
REVENUE			
Property taxes	\$ 9,818,102	\$ 10,159,733	\$ 9,913,593
Grants in lieu of taxation	860,605	860,605	842,174
User fees	2,829,563	2,945,893	3,080,276
Permits, licences and fines	363,600	419,941	424,220
Investment income	55,865	435,999	367,107
Other revenue	154,359	1,061,581	196,422
Water and sewer	10,752,827	9,846,291	8,725,296
Grants - Province of Manitoba	3,157,556	3,646,363	3,608,894
Grants - other	1,480,083	1,182,584	1,099,315
Total revenue (Schedules 2, 4 and 5)	<u>29,472,560</u>	<u>30,558,990</u>	<u>28,257,297</u>
EXPENSES			
General government services	2,084,880	2,017,813	2,173,352
Protective services	5,430,068	5,207,982	5,068,123
Transportation services	2,456,012	2,484,424	2,952,145
Environmental health services	1,248,591	1,046,114	1,071,588
Public health and welfare services	331,450	308,532	299,373
Regional planning and development	586,362	602,435	593,459
Resource conservation and industrial development	205,719	433,496	245,929
Recreation and cultural services	5,459,651	5,334,181	5,986,878
Water and sewer services	10,902,850	8,817,892	8,572,336
Total expenses (Schedules 3, 4 and 5)	<u>28,705,583</u>	<u>26,252,869</u>	<u>26,963,183</u>
ANNUAL SURPLUS	<u><u>766,977</u></u>	4,306,121	1,294,114
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>68,774,239</u>	<u>67,480,125</u>
ACCUMULATED SURPLUS, END OF YEAR		<u><u>\$ 73,080,360</u></u>	<u><u>\$ 68,774,239</u></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, 2013**

	<u>2013 Budget (Note 12)</u>	<u>2013 Actual</u>	<u>2012 Actual</u>
ANNUAL SURPLUS	\$ 766,977	\$ 4,306,121	\$ 1,294,114
Acquisition of tangible capital assets	(2,879,825)	(1,402,939)	(784,356)
Amortization of tangible capital assets	4,443,597	4,443,597	4,408,936
Adjusted opening TCA cost	-	(220,395)	-
Adjusted opening TCA accum amort	-	118,404	-
Loss on sale of tangible capital assets	-	79	191,575
Proceeds on sale of tangible capital assets	-	172,243	288,200
Decrease (increase) in inventories	-	(23,136)	79,844
Decrease (increase) in prepaid expense	-	159,976	(13,434)
	<u>1,563,772</u>	<u>3,247,829</u>	<u>4,170,765</u>
CHANGE IN NET FINANCIAL ASSETS	<u><u>2,330,749</u></u>	<u>7,553,950</u>	<u>5,464,879</u>
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>(243,817)</u>	<u>(5,708,696)</u>
NET FINANCIAL ASSETS, END OF YEAR		<u><u>\$ 7,310,133</u></u>	<u><u>\$ (243,817)</u></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, 2013

	<u>2013</u>	<u>2012</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 4,306,121	\$ 1,294,114
Changes in non-cash items:		
Amounts receivable	(420,120)	822,141
Inventories	(20,561)	82,179
Prepays	159,976	(13,434)
Accounts payable and accrued liabilities	(667,112)	350,802
Deferred revenue	4,850	(44,602)
Landfill closure and post closure liabilities	35,014	-
Loss on sale of tangible capital asset	79	191,575
Amortization	4,443,597	4,408,936
	<u>7,841,844</u>	<u>7,091,711</u>
Cash provided by operating transactions		
	<u>7,841,844</u>	<u>7,091,711</u>
CAPITAL TRANSACTIONS		
Adjusted opening TCA cost	(220,395)	-
Adjusted opening TCA accum amort	118,404	-
Proceeds on sale of tangible capital assets	172,243	288,200
Cash used to acquire tangible capital assets	(1,402,939)	(784,356)
	<u>(1,332,687)</u>	<u>(496,156)</u>
Cash applied to capital transactions		
	<u>(1,332,687)</u>	<u>(496,156)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of real estate properties	336,562	5,732
Gain on sale of real estate properties	(321,686)	-
Purchase of portfolio investments	(173,332)	(1,455,448)
	<u>(158,456)</u>	<u>(1,449,716)</u>
Cash applied to investing transactions		
	<u>(158,456)</u>	<u>(1,449,716)</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	86,476	-
Debt repayment	(2,193,175)	(2,280,032)
	<u>(2,106,699)</u>	<u>(2,280,032)</u>
Cash applied to financing transactions		
	<u>(2,106,699)</u>	<u>(2,280,032)</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	4,244,002	2,865,807
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	14,767,911	11,902,104
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 19,011,913</u>	<u>\$ 14,767,911</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, 2013

1. Status of the City of Portage la Prairie

The incorporated City of Portage la Prairie ("the City") is a municipal government that was created in 1907 pursuant to the Manitoba Municipal Act. The City provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The City owns one utility, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

2. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants 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.

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 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 consolidated financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

Portage la Prairie Planning District (66.67%) (2012 - 66.67%)
Portage la Prairie Regional Landfill Authority (66.67%) (2012 - 66.67%)
Portage la Prairie Regional Library (77.00%) (2012 - 77.00%)
Portage Regional Recreation Authority (75.00%) (2012 - 75.00%)
Central Plains Inc. (66.67%) (2012 - 0.00%)

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

Trust funds and their related operations administered by the City are not consolidated in these consolidated financial statements. The trust funds administered by the Municipality are presented in Schedule 7 - Schedule of Trust Funds.

b) Basis of Accounting

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

c) Cash and Temporary Investments

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

d) Investments

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

Portfolio investments are accounted for at cost.

CITY OF PORTAGE LA PRAIRIE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

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 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

CITY OF PORTAGE LA PRAIRIE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

2. Significant Accounting Policies (continued)

h) Tangible Capital Assets (continued)

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

i) 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.

j) Revenue Recognition

Revenues are recognized as they are earned and measurable.

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

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.

k) 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 consolidated financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.

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

CITY OF PORTAGE LA PRAIRIE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

2. Significant Accounting Policies (continued)

k) Recent accounting pronouncements

Financial instruments (PS 3450)

In June 2011, the Public Sector Accounting Board (PSAB) issued new Section PS 3450 Financial instruments. The new standard establishes requirements for recognition, measurement, derecognition, presentation and disclosure of financial assets and financial liabilities, including derivatives. PS 3450 is effective for government organizations for fiscal years beginning on or after April 1, 2012. The effective date of PS 3450 for governments is for fiscal years beginning on or after April 1, 2015. The application of PS 3450 by governments will be reviewed by PSAB by December 31, 2013. The City expects to apply PS 3450 for its consolidated financial statements dated December 31, 2016. The City has not yet determined the effect of the newly issued section on its consolidated financial statements.

Financial statement presentation (PS 1201)

In June 2011, as a result of the issuance of PS 3450 Financial instruments, the Public Sector Accounting Board (PSAB) issued new Section PS 1201 Financial statement presentation, which revises and replaces Section PS 1200 Financial statement presentation. The amendments to this Section consisted of the introduction of remeasurement gains and losses and other comprehensive income and is reported on the statement of remeasurement gains and losses, and accumulated surplus (deficit) is presented as the total of the accumulated operating surplus (deficit) and the accumulated remeasurement gains and losses. The Section is effective in the same period PS 3450 is adopted. The City expects to apply PS 1201 for its consolidated financial statements dated December 31, 2016. The City has not yet determined the effect of the newly issued section on its consolidated financial statements.

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2013</u>	<u>2012</u>
Cash	\$ 18,367,405	\$ 14,426,702
Temporary investments	644,508	341,209
	<u>\$ 19,011,913</u>	<u>\$ 14,767,911</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The City has designated \$22,407,673 (2012 - \$16,867,764) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances. Temporary investments consist of \$644,508, which has been restricted by the landfill authority along with the recreation authority.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2013</u>	<u>2012</u>
Taxes on roll (Schedule 11)	\$ 1,020,806	\$ 812,108
Government grants	225,017	81,008
Utility customers	918,899	779,258
Accrued interest	563	-
Organizations and individuals	930,967	1,054,829
Other governments	293,985	274,818
	<u>3,390,237</u>	<u>3,002,021</u>
Less allowances for doubtful amounts	<u>(58,745)</u>	<u>(90,649)</u>
	<u>\$ 3,331,492</u>	<u>\$ 2,911,372</u>

CITY OF PORTAGE LA PRAIRIE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

5. Portfolio Investments

	<u>2013</u>	<u>2012</u>
Marketable securities:		
Province of Manitoba	\$ -	\$ 250,000
Guaranteed investment certificates and term deposits	<u>6,500,228</u>	<u>6,076,896</u>
	<u><u>\$ 6,500,228</u></u>	<u><u>\$ 6,326,896</u></u>

The aggregate market value of the marketable securities at December 31, 2013 is \$6,517,696 (2012 - \$6,209,614). Portfolio investments earn interest at rates of 0% to 3.0% and mature between June 2014 and June 2016. Portfolio investments earned \$83,828 in investment income during the year (2012 - \$137,278).

6. Inventories

Inventories for sale:

	<u>2013</u>	<u>2012</u>
Clothing and sporting equipment	\$ -	\$ 4,662
Food and beverages	<u>4,139</u>	<u>2,052</u>
	<u><u>\$ 4,139</u></u>	<u><u>\$ 6,714</u></u>

Inventories for use:

	<u>2013</u>	<u>2012</u>
Chemicals, herbicides, insecticides	\$ 248,321	\$ 224,395
Fuel	7,976	8,141
Other supplies	<u>42,882</u>	<u>43,507</u>
	<u><u>\$ 299,179</u></u>	<u><u>\$ 276,043</u></u>

7. Accounts Payable and Accrued Liabilities

	<u>2013</u>	<u>2012</u>
Accounts payable	\$ 1,178,226	\$ 1,933,012
Accrued expenses	738,254	610,094
Accrued interest payable	544,313	600,951
School levies (Schedule 13)	983,287	941,727
Other governments	<u>761,136</u>	<u>786,544</u>
	<u><u>\$ 4,205,216</u></u>	<u><u>\$ 4,872,328</u></u>

CITY OF PORTAGE LA PRAIRIE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

8. Landfill Closure and Post Closure Liabilities

a) Operating Landfill Site

The City and Rural Municipality of Portage la Prairie are currently operating a Class 1 landfill site 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>2013</u>	<u>2012</u>
Estimated closure and post closure costs over the next 28 years	<u>\$ 216,011</u>	<u>\$ -</u>
Discount rate	<u>5.60%</u>	<u>0.00%</u>
Discounted costs	<u>\$ 67,335</u>	<u>\$ -</u>
Expected year capacity will be reached	2041	
Capacity (tonnes):		
Used to date	1,282,050	100
Remaining	1,195,650	-
Total	2,477,700	100
Percent utilized	<u>51.74%</u>	<u>100.00%</u>
Liability based on percentage	<u>\$ 35,014</u>	<u>\$ -</u>

CITY OF PORTAGE LA PRAIRIE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

9. Long-Term Debt

General Authority:	<u>2013</u>	<u>2012</u>
Loan payable, interest at 6.754%, payable at \$2,000 monthly including interest, maturing 2020	\$ 86,476	\$ -
Debenture, interest at 6.25%, payable at \$38,721 annually including interest, maturing 2019	188,917	214,248
Debenture, interest at 5.38%, payable at \$19,760 annually including interest, maturing 2021	125,799	138,134
Debenture, interest at 5.38%, payable at \$7,410 annually including interest, maturing 2021	47,174	51,800
Debenture, interest at 5.38%, payable at \$4,342 annually including interest, maturing 2016	11,741	15,262
Debenture, interest at 5.38%, payable at \$12,515 annually including interest, maturing 2016	33,843	43,993
Debenture, interest at 5.38%, payable at \$4,965 annually including interest, maturing 2016	13,427	17,455
Debenture, interest at 4.75%, payable at \$69,961 annually including interest, maturing 2013	-	66,789
Debenture, interest at 5.13%, payable at \$46,355 annually including interest, maturing 2013	-	44,095
Debenture, interest at 5.13%, payable at \$301,306 annually including interest, maturing 2013	-	286,616
Debenture, interest at 4.25%, payable at \$22,621 annually including interest, maturing 2014	21,699	42,512
Debenture, interest at 4.13%, payable at \$88,589 annually including interest, maturing 2014	85,079	166,788
Debenture, interest at 5.50%, payable at \$697,379 annually including interest, maturing 2024	5,643,566	6,010,375
Debenture, interest at 5.50%, payable at \$298,877 annually including interest, maturing 2024	2,418,671	2,575,875
Debenture, interest at 5.50%, payable at \$8,468 annually including interest, maturing 2024	68,529	72,983
Debenture, interest at 5.50%, payable at \$145,952 annually including interest, maturing 2024	1,181,118	1,257,885
Debenture, interest at 5.50%, payable at \$159,401 annually including interest, maturing 2025	1,373,800	1,453,271
Debenture, interest at 5.50%, payable at \$9,963 annually including interest, maturing 2025	85,863	90,829
Debenture, interest at 5.50%, payable at \$9,963 annually including interest, maturing 2025	85,863	90,829
Debenture, interest at 5.50%, payable at \$149,438 annually including interest, maturing 2025	1,284,420	1,359,987
Debenture, interest at 5.50%, payable at \$9,963 annually including interest, maturing 2025	85,628	90,666
Debenture, interest at 5.50%, payable at \$19,925 annually including interest, maturing 2025	171,256	181,332
Debenture, interest at 5.50%, payable at \$19,925 annually including interest, maturing 2025	171,256	181,332
	<u>\$ 13,184,125</u>	<u>\$ 14,453,056</u>

CITY OF PORTAGE LA PRAIRIE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

9. Long-Term Debt (continued)

Sub-total (previous page)	<u>\$ 13,184,125</u>	<u>\$ 14,453,056</u>
Utility Funds:		
Debenture for Sewage Facility, interest at 7.00%, payable at \$54,897 annually including interest, maturing 2017	185,949	225,090
Debenture for Sewage Facility, interest at 7.10%, payable at \$33,199 annually including interest, maturing 2017	112,135	135,668
Debenture for Sewage Facility, interest at 7.00%, payable at \$219,589 annually including interest, maturing 2017	743,795	900,359
Debenture for Sewage Facility, interest at 7.10%, payable at \$33,199 annually including interest, maturing 2017	112,135	135,668
Debenture for Sewage Facility, interest at 7.00%, payable at \$548,973 annually including interest, maturing 2017	1,859,488	2,250,898
Debenture for Sewage Facility, interest at 7.00%, payable at \$75,647 annually including interest, maturing 2017	257,686	312,255
Debenture for Sewage Facility, interest at 6.50%, payable at \$21,271 annually including interest, maturing 2018	88,394	102,971
Debenture for Sewage Facility, interest at 6.60%, payable at \$75,046 annually including interest, maturing 2018	310,817	361,888
Debenture for Massey Crescent, interest at 6.00%, payable at \$3,501 annually including interest, maturing 2014	3,303	6,418
Debenture for Sewage Facility, interest at 6.60%, payable at \$117,929 annually including interest, maturing 2018	488,427	568,682
	<u>\$ 4,162,129</u>	<u>\$ 4,999,897</u>
	<u>\$ 17,346,254</u>	<u>\$ 19,452,953</u>

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

2014	\$ 1,912,297
2015	\$ 1,914,210
2016	\$ 2,033,215
2017	\$ 2,137,855
2018	\$ 1,306,242

CITY OF PORTAGE LA PRAIRIE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

10. 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 Canadian Institute of Chartered Accountants 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 6.3% of basic annual earnings up to the CPP ceiling plus 7.5% 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 \$431,318 (2012 - \$389,936) 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, 2012 indicated the plan was 94% funded on a going concern basis and had an unfunded solvency liability of \$220.5 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, 2012.

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.

11. 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.

12. 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.

CITY OF PORTAGE LA PRAIRIE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

13. Accumulated Surplus

	<u>2013</u>	<u>2012</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	1,128,850	1,151,787
Utility operating fund - Nominal surplus	495,468	613,626
TCA net of related borrowings	47,055,587	48,265,632
Reserve funds	<u>22,407,673</u>	<u>16,867,764</u>
Accumulated surplus of municipality unconsolidated	71,087,578	66,898,809
Accumulated surpluses of consolidated entities	<u>1,992,782</u>	<u>1,875,430</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u><u>\$ 73,080,360</u></u>	<u><u>\$ 68,774,239</u></u>

14. Public Sector Compensation Disclosure

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the City. For the year ended December 31, 2013:

- a) Compensation paid to members of council amounted to \$127,093 in aggregate.
- b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor - Earl Porter	\$ 38,089	\$ 6,436	\$ 44,525
Deputy Mayor - Irvine Ferris	17,128	2,219	19,347
Councillor - Brent Froese	13,932	1,058	14,990
Councillor - Liz Driedger	14,801	1,191	15,992
Councillor - Diane Stasiuk	14,381	3,346	17,727
Councillor - Brent Budz	14,231	923	15,154
Councillor - Ryan Espey	<u>14,531</u>	<u>3,405</u>	<u>17,936</u>
	<u><u>\$ 127,093</u></u>	<u><u>\$ 18,578</u></u>	<u><u>\$ 145,671</u></u>

CITY OF PORTAGE LA PRAIRIE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

14. Public Sector Compensation Disclosure (continued)

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

Name	Position	Amount
<i>Dale Lyle</i>	<i>City Manager</i>	\$ 79,527
<i>Jean-Marc Nadeau</i>	<i>City Manager</i>	\$ 131,603
<i>Nettie Neudorf</i>	<i>Director of Finance</i>	\$ 98,645
<i>Darren Jones</i>	<i>Information Technology</i>	\$ 56,933
<i>Sharon Williams</i>	<i>Manager of Administration</i>	\$ 58,785
<i>David Green</i>	<i>Manager of Parks</i>	\$ 73,430
<i>Tieny Kirchner</i>	<i>Manager of Finance</i>	\$ 67,242
<i>Brandy Smith</i>	<i>Human Resource Officer</i>	\$ 60,357
<i>Adam Carpenter</i>	<i>Transportation "B" Operator</i>	\$ 51,345
<i>Matthew Phillips</i>	<i>EngineeringTechnologist</i>	\$ 56,073
<i>Matthew Hientz</i>	<i>EngineeringTechnologist</i>	\$ 54,972
<i>Phil Carpenter</i>	<i>Fire Chief</i>	\$ 97,008
<i>Brad Bailey</i>	<i>Firefighter</i>	\$ 63,478
<i>Jared Bergen</i>	<i>Deputy Fire Chief</i>	\$ 68,473
<i>Dave Holmes</i>	<i>Firefighter</i>	\$ 89,335
<i>Norman Vuignier</i>	<i>Firefighter</i>	\$ 74,175
<i>Corey Jowett</i>	<i>Firefighter</i>	\$ 82,046
<i>George Kerr</i>	<i>Firefighter</i>	\$ 75,378
<i>Curtis Rance</i>	<i>Firefighter</i>	\$ 72,103
<i>Todd McKinnon</i>	<i>Firefighter</i>	\$ 76,928
<i>Don Robertson</i>	<i>Firefighter</i>	\$ 75,133
<i>Stephen Moffit</i>	<i>Firefighter</i>	\$ 69,376
<i>David Sproat</i>	<i>Firefighter</i>	\$ 79,138
<i>Landeyn Aymont</i>	<i>Firefighter</i>	\$ 64,353
<i>Chris Perry</i>	<i>Firefighter</i>	\$ 67,404
<i>Gerald Pawloski</i>	<i>Firefighter</i>	\$ 74,183
<i>Darren Van Den Bussche</i>	<i>Firefighter</i>	\$ 72,651
<i>Wendell Williams</i>	<i>Firefighter</i>	\$ 82,418
<i>Jeff Tessier</i>	<i>Firefighter</i>	\$ 62,968
<i>Kelly Braden</i>	<i>Director of Operations</i>	\$ 112,764
<i>Ian Milne</i>	<i>Manager of Engineering</i>	\$ 81,608
<i>Wade Andruchuk</i>	<i>Operator "B"</i>	\$ 51,685
<i>Keith Henderson</i>	<i>Transportation "A" Operator</i>	\$ 50,005
<i>Shane Pierson</i>	<i>Assistant Mechanic</i>	\$ 62,295
<i>Kevin Saunders</i>	<i>Transportation "A" Operator</i>	\$ 62,924
<i>Brian Taylor</i>	<i>Manager of Public Works</i>	\$ 81,595
<i>Terry Thompson</i>	<i>Mechanic</i>	\$ 69,569
<i>Charles Ward</i>	<i>Pumping Station Maintenance</i>	\$ 54,519
<i>Trevor Bruno</i>	<i>Transportation "B" Operator</i>	\$ 51,730
<i>Terry Lowden</i>	<i>Senior Water Works Maintenance</i>	\$ 50,636
<i>Curtis Sanderson</i>	<i>Transportation "A" Operator</i>	\$ 54,340
<i>Keith Barron</i>	<i>Waterworks Foreman</i>	\$ 78,743
<i>Lloyd Vivier</i>	<i>Cemetery Foreman</i>	\$ 55,604
<i>Vaughn Williams</i>	<i>Facility Maintenance</i>	\$ 64,777
<i>Doug Campbell</i>	<i>Manager of Water Treatment Plant</i>	\$ 74,509
<i>Michael Sandney</i>	<i>WTP Foreman</i>	\$ 83,951
<i>Jesse Taylor</i>	<i>Water Treatment Operator</i>	\$ 73,208
<i>Kaylan Rae</i>	<i>Water Treatment Operator</i>	\$ 73,082
<i>Jeff Sing</i>	<i>WTP Operator</i>	\$ 76,684
<i>John Altenburg</i>	<i>WPCF Operator</i>	\$ 63,070
<i>Rick Ingram</i>	<i>Maintenance Foreman</i>	\$ 75,499
<i>Jim Mekkes</i>	<i>WPCF Operator</i>	\$ 69,357
<i>Allan O'Neil</i>	<i>Facility Maintenance</i>	\$ 62,317
<i>Robert Fidler</i>	<i>Facility Maintenance</i>	\$ 62,071
<i>Richard Yanchycki</i>	<i>Operations Foreman</i>	\$ 92,506
<i>Karly Friesen</i>	<i>Manager of Water Pollution Control Facility</i>	\$ 79,357
<i>Aaron Stechesen</i>	<i>Lab Technologist</i>	\$ 58,696
<i>Wyatt McEachnie</i>	<i>Water Pollution Operator</i>	\$ 62,391
<i>Dwayne Houston</i>	<i>WPCF Operator</i>	\$ 69,359
<i>Mark Palendat</i>	<i>Parks Foreman</i>	\$ 53,116

15. Comparative figures

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

CITY OF PORTAGE LA PRAIRIE
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2013

	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	2013	2012
Cost										
Opening costs	8,972,976	43,591,964	3,860,490	193,829	28,511	18,691,263	87,968,476	-	163,307,509	163,188,079
Adjusting	16,649	119,755	42,714	41,277	-	-	-	-	220,395	-
Additions during the year	201,577	99,215	460,817	9,929	67,275	-	265,824	298,302	1,402,939	784,356
Disposals and write downs	-	-	(387,577)	(268)	-	-	(85,915)	-	(473,760)	(663,604)
Closing costs	9,191,202	43,810,934	3,976,444	244,767	95,786	18,691,263	88,148,385	298,302	164,457,083	163,308,831
Accumulated Amortization										
Opening accum'd amortization	2,035,785	7,400,617	1,967,446	171,102	-	2,598,783	80,644,044	-	94,817,777	90,593,992
Adjusting	-	41,097	39,875	37,432	-	-	-	-	118,404	-
Amortization	282,902	1,002,581	296,043	13,302	-	101,831	2,746,938	-	4,443,597	4,408,936
Disposals and write downs	-	-	(301,438)	-	-	-	-	-	(301,438)	(183,829)
Closing accum'd amortization	2,318,687	8,444,295	2,001,926	221,836	-	2,700,614	83,390,982	-	99,078,340	94,819,099
Net Book Value of Tangible Capital Assets	6,872,515	35,366,639	1,974,518	22,931	95,786	15,990,649	4,757,403	298,302	65,378,743	68,489,732

The Municipality 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, 2013

SCHEDULE 2

	2013 Actual	2012 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 9,716,480	\$ 9,447,459
Taxes added	443,253	466,134
	<u>10,159,733</u>	<u>9,913,593</u>
Grants in lieu of taxation:		
Federal government	14,520	14,406
Federal government enterprises	2,920	4,658
Provincial government	407,746	404,565
Provincial government enterprises	435,419	418,545
Other local governments	-	-
Non-government organizations	-	-
	<u>860,605</u>	<u>842,174</u>
User fees		
Parking meters	-	-
Sales of service	1,898,864	1,779,223
Sales of goods	89,496	167,468
Rentals	236,029	163,942
Development charges	-	-
Facility use fees	721,504	969,643
	<u>2,945,893</u>	<u>3,080,276</u>
Permits, licences and fines		
Permits	-	-
Licences	111,014	113,122
Fees	187,466	150,855
Fines	121,461	160,243
	<u>419,941</u>	<u>424,220</u>
Investment income:		
Cash and temporary investments	435,999	367,107
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>435,999</u>	<u>367,107</u>
Other revenue:		
Gain on sale of tangible capital assets	75,204	5,700
Gain on sale of real estate held for sale	321,686	-
Penalties and interest	105,642	94,722
Miscellaneous	559,049	96,000
	<u>1,061,581</u>	<u>196,422</u>
Water and sewer		
Municipal utility (Schedule 9)	9,846,291	8,725,296
Grants - Province of Manitoba		
General assistance payment	2,061,591	2,067,869
General support grant	157,162	155,852
VLT revenues	193,233	198,246
Other unconditional grants	-	-
Conditional grants	1,234,377	1,186,927
	<u>3,646,363</u>	<u>3,608,894</u>
Grants - other		
Federal government - gas tax funding	694,683	694,683
Federal government - other	-	-
Other local governments	487,901	404,632
	<u>1,182,584</u>	<u>1,099,315</u>
Total revenue	<u>\$ 30,558,990</u>	<u>\$ 28,257,297</u>

CITY OF PORTAGE LA PRAIRIE
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2013

SCHEDULE 3

	<u>2013 Actual</u>	<u>2012 Actual</u>
General government services:		
Legislative	\$ 145,330	\$ 156,983
General administrative	1,685,821	1,641,939
Other	186,662	374,430
	<u>2,017,813</u>	<u>2,173,352</u>
Protective services:		
Police	3,294,002	3,267,972
Fire	1,777,156	1,664,830
Emergency measures	41,559	42,412
Other	95,265	92,909
	<u>5,207,982</u>	<u>5,068,123</u>
Transportation services:		
Road transport		
Administration and engineering	233,860	211,792
Road and street maintenance	1,821,383	2,333,886
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	85,169	114,008
Street lighting	222,897	214,141
Other	-	-
Air transport	-	-
Public transit	121,115	78,318
Other	-	-
	<u>2,484,424</u>	<u>2,952,145</u>
Environmental health services:		
Waste collection and disposal	853,776	750,187
Recycling	192,338	321,401
Other	-	-
	<u>1,046,114</u>	<u>1,071,588</u>
Public health and welfare services:		
Public health	230,061	213,152
Medical care	-	-
Social assistance	78,471	86,221
Other	-	-
	<u>308,532</u>	<u>299,373</u>
Regional planning and development		
Planning and zoning	291,169	314,208
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	198,229	194,558
Other	113,037	84,693
	<u>602,435</u>	<u>593,459</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	397,298	218,690
Industrial development	5,776	7,289
Tourism	3,189	4,706
Other	27,233	15,244
	<u>433,496</u>	<u>245,929</u>
Sub-totals forward	<u>12,100,796</u>	<u>12,403,969</u>

CITY OF PORTAGE LA PRAIRIE
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2013

SCHEDULE 3

	<u>2013 Actual</u>	<u>2012 Actual</u>
Sub-totals forward	<u>12,100,796</u>	<u>12,403,969</u>
Recreation and cultural services:		
Administration	2,391,801	2,712,127
Community centers and halls	60,000	60,000
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	11,337	7,236
Parks and playgrounds	307,211	322,285
Other recreational facilities	1,901,470	2,198,047
Museums	-	-
Libraries	571,711	581,028
Other cultural facilities	90,651	106,155
	<u>5,334,181</u>	<u>5,986,878</u>
Water and sewer services (Schedule 9)		
Municipal utility (Schedule 9)	<u>8,817,892</u>	<u>8,572,336</u>
Total expenses	<u>\$ 26,252,869</u>	<u>\$ 26,963,183</u>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2013

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE										
Property taxes	\$ 10,159,733	\$ 9,739,927	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	860,605	842,174	-	-	-	-	-	-	-	-
User fees	36,706	34,400	376,985	329,877	40,493	46,391	1,001,472	947,363	61,507	64,734
Grants - other	-	-	-	-	694,683	694,683	-	-	-	-
Permits, licences and fines	109,771	115,252	308,649	307,404	-	-	1,521	1,564	-	-
Investment income	122,601	102,659	3,290	2,263	6,605	4,845	5,139	3,349	255	298
Other revenue	592,097	161,359	-	-	14	6,304	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	2,411,986	2,421,967	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	43,338	4,176	396,100	396,100	235,876	162,522	405,234	415,894	-	-
Total revenue	\$ 14,336,837	\$ 13,421,914	\$ 1,085,024	\$ 1,035,644	\$ 977,671	\$ 914,745	\$ 1,413,366	\$ 1,368,170	\$ 61,762	\$ 65,032
EXPENSES										
Personnel services	\$ 1,340,053	\$ 1,218,682	\$ 1,790,134	\$ 1,725,561	\$ 726,280	\$ 682,004	\$ 142,901	\$ 126,329	\$ 123,931	\$ 124,732
Contract services	363,786	278,273	3,050,929	2,933,515	502,558	1,209,496	803,917	897,781	89,653	70,721
Utilities	45,594	67,323	61,671	142,288	264,444	292,128	6,073	740	6,006	7,235
Maintenance materials and supplies	47,172	156,379	189,039	158,520	595,115	417,938	58,805	29,025	83,066	76,605
Grants and contributions	30,600	277,825	3,151	2,078	-	(84,415)	-	-	4,849	20,080
Amortization	13,878	13,923	113,058	103,989	341,907	341,938	28,417	13,781	-	-
Interest on long term debt	-	47,437	-	-	50,157	84,857	-	-	-	-
Other	176,730	113,510	-	2,172	3,963	8,199	6,001	3,932	1,027	-
Total expenses	\$ 2,017,813	\$ 2,173,352	\$ 5,207,982	\$ 5,068,123	\$ 2,484,424	\$ 2,952,145	\$ 1,046,114	\$ 1,071,588	\$ 308,532	\$ 299,373
Surplus (Deficit)	\$ 12,319,024	\$ 11,248,562	\$ (4,122,958)	\$ (4,032,479)	\$ (1,506,753)	\$ (2,037,400)	\$ 367,252	\$ 296,582	\$ (246,770)	\$ (234,341)

* 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, 2013

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 173,666	\$ 10,159,733	\$ 9,913,593
Grants in lieu of taxation	-	-	-	-	-	-	-	-	860,605	842,174
User fees	346,970	335,998	29,965	2,590	1,051,795	1,318,923	-	-	2,945,893	3,080,276
Grants - other	22,208	22,208	25,779	-	439,914	382,424	-	-	1,182,584	1,099,315
Permits, licences and fines	-	-	-	-	-	-	-	-	419,941	424,220
Investment income	21,444	20,402	437	232	11,370	13,601	264,858	219,458	435,999	367,107
Other revenue	-	1,764	-	-	469,470	26,995	-	-	1,061,581	196,422
Water and sewer	-	-	-	-	-	-	9,846,291	8,725,296	9,846,291	8,725,296
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	2,411,986	2,421,967
Prov of MB - Conditional Grants	-	-	-	-	153,829	208,235	-	-	1,234,377	1,186,927
Total revenue	\$ 390,622	\$ 380,372	\$ 56,181	\$ 2,822	\$ 2,126,378	\$ 1,950,178	\$ 10,111,149	\$ 9,118,420	\$ 30,558,990	\$ 28,257,297
EXPENSES										
Personnel services	\$ 305,696	\$ 286,899	\$ 280,419	\$ 179,438	\$ 1,640,245	\$ 1,717,452	\$ 2,471,821	\$ 2,407,084	\$ 8,821,480	\$ 8,468,181
Contract services	171,641	204,429	57,107	38,897	334,125	421,990	1,658,431	1,000,181	7,032,147	7,055,283
Utilities	8,492	8,871	4,592	914	353,244	403,165	849,882	847,162	1,599,998	1,769,826
Maintenance materials and supplies	63,825	37,102	37,650	316	532,679	738,537	650,718	1,199,081	2,258,069	2,813,503
Grants and contributions	22,205	22,205	25,775	-	538,688	532,609	-	-	625,268	770,382
Amortization	26,946	28,497	7,629	-	1,164,824	1,172,969	2,746,938	2,733,839	4,443,597	4,408,936
Interest on long term debt	-	-	6,201	-	705,943	742,086	319,840	384,989	1,082,141	1,259,369
Other	3,630	5,456	14,123	26,364	64,433	258,070	120,262	-	390,169	417,703
Total expenses	\$ 602,435	\$ 593,459	\$ 433,496	\$ 245,929	\$ 5,334,181	\$ 5,986,878	\$ 8,817,892	\$ 8,572,336	\$ 26,252,869	\$ 26,963,183
Surplus (Deficit)	\$ (211,813)	\$ (213,087)	\$ (377,315)	\$ (243,107)	\$ (3,207,803)	\$ (4,036,700)	\$ 1,293,257	\$ 546,084	\$ 4,306,121	\$ 1,294,114

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2013

	Core Government		Controlled Entities		Government Partnerships		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE								
Property taxes	\$ 10,159,733	\$ 9,913,593	\$ -	\$ -	\$ -	\$ -	\$ 10,159,733	\$ 9,913,593
Grants in lieu of taxation	860,605	842,174	-	-	-	-	860,605	842,174
User fees	1,368,594	1,310,811	32,725	37,008	1,544,574	1,732,457	2,945,893	3,080,276
Grants - other	694,683	694,683	-	-	487,901	404,632	1,182,584	1,099,315
Permits, licences and fines	419,941	424,220	-	-	-	-	419,941	424,220
Investment income	420,134	349,832	246	243	15,619	17,032	435,999	367,107
Other revenue	1,058,024	161,359	14	6,304	3,543	28,759	1,061,581	196,422
Water and sewer	9,846,291	8,725,296	-	-	-	-	9,846,291	8,725,296
Prov of MB - Unconditional Grants	2,411,986	2,421,967	-	-	-	-	2,411,986	2,421,967
Prov of MB - Conditional Grants	1,049,435	1,020,384	36,588	30,000	148,354	136,543	1,234,377	1,186,927
Total revenue	\$ 28,289,426	\$ 25,864,319	\$ 69,573	\$ 73,555	\$ 2,199,991	\$ 2,319,423	\$ 30,558,990	\$ 28,257,297
EXPENSES								
Personnel services	\$ 6,990,792	\$ 6,660,181	\$ 61,623	\$ 61,313	\$ 1,769,065	\$ 1,746,687	\$ 8,821,480	\$ 8,468,181
Contract services	6,468,519	6,415,985	15,826	15,751	547,802	623,547	7,032,147	7,055,283
Utilities	1,264,366	1,413,990	2,085	2,465	333,547	353,371	1,599,998	1,769,826
Maintenance materials and supplies	1,778,960	2,267,517	21,952	25,493	457,157	520,493	2,258,069	2,813,503
Grants and contributions	1,856,012	1,973,625	(26,400)	(84,415)	(1,204,344)	(1,118,828)	625,268	770,382
Amortization	4,355,921	4,343,809	17,643	17,643	70,033	47,484	4,443,597	4,408,936
Interest on long term debt	1,075,940	1,259,369	-	-	6,201	-	1,082,141	1,259,369
Other	310,147	317,302	1,986	6,203	78,036	94,198	390,169	417,703
Total expenses	\$ 24,100,657	\$ 24,651,778	\$ 94,715	\$ 44,453	\$ 2,057,497	\$ 2,266,952	\$ 26,252,869	\$ 26,963,183
Surplus (Deficit)	\$ 4,188,769	\$ 1,212,541	\$ (25,142)	\$ 29,102	\$ 142,494	\$ 52,471	\$ 4,306,121	\$ 1,294,114

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2013

	2013						Sub - Total
	General 3780	Equipment Replacement 3781	Cemetery 4227	Recreation 5022	Fire Truck 4795	Handicap Access 7185	
REVENUE							
Investment income	\$ 62,959	\$ 793	\$ 255	\$ -	\$ 3,290	\$ 994	\$ 68,291
Other income	-	-	-	-	-	-	-
Total revenue	62,959	793	255	-	3,290	994	68,291
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-
NET REVENUES	62,959	793	255	-	3,290	994	68,291
TRANSFERS							
Transfers from general operating fund	1,853,342	231,725	-	-	85,000	-	2,170,067
Transfers to general operating fund	(147,257)	-	-	-	-	-	(147,257)
Transfer from nominal surplus	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	(209,326)	-	-	-	-	(209,326)
CHANGE IN RESERVE FUND BALANCES	1,769,044	23,192	255	-	88,290	994	1,881,775
FUND SURPLUS, BEGINNING OF YEAR	2,688,799	90,830	13,445	-	103,241	52,354	2,948,669
FUND SURPLUS, END OF YEAR	\$ 4,457,843	\$ 114,022	\$ 13,700	\$ -	\$ 191,531	\$ 53,348	\$ 4,830,444

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2013

	2013						Sub - Total
	Land Development 7993	Environmental Filter Media 7839	Computer 6373	Crescent Lake 7244	Handivan 7267	Special Administration 7294	
REVENUE							
Investment income	\$ 18,359	\$ 3,943	\$ 2,736	\$ 275	\$ 1	\$ 11,502	\$ 36,816
Other income	-	-	-	-	-	-	-
Total revenue	18,359	3,943	2,736	275	1	11,502	36,816
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-
NET REVENUES	18,359	3,943	2,736	275	1	11,502	36,816
TRANSFERS							
Transfers from general operating fund	332,585	336,255	30,000	595	-	408,800	1,108,235
Transfers to general operating fund	-	(18,626)	(44,700)	-	-	(407,769)	(471,095)
Transfer from nominal surplus	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	18,000	-	-	-	18,000
Transfers to utility operating fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	(40,000)	(8,670)	-	-	-	(48,670)
CHANGE IN RESERVE FUND BALANCES	350,944	281,572	(2,634)	870	1	12,533	643,286
FUND SURPLUS, BEGINNING OF YEAR	967,078	227,831	145,012	14,474	105	539,149	1,893,649
FUND SURPLUS, END OF YEAR	\$ 1,318,022	\$ 509,403	\$ 142,378	\$ 15,344	\$ 106	\$ 551,682	\$ 2,536,935

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2013

	2013						Sub - Total
	Capital Levy 7166	Dedication Fees 7167	Economic Development 7777	Sidewalk 8060	Softball 8073	Gas Tax 8317	
REVENUE							
Investment income	\$ 1,320	\$ 114	\$ 181	\$ 510	\$ 174	\$ 3,735	\$ 6,034
Other income	-	-	-	-	-	-	-
Total revenue	1,320	114	181	510	174	3,735	6,034
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-
NET REVENUES	1,320	114	181	510	174	3,735	6,034
TRANSFERS							
Transfers from general operating fund	-	16,767	-	20,000	-	694,683	731,450
Transfers to general operating fund	-	-	(11,499)	(9,266)	-	(528,831)	(549,596)
Transfer from nominal surplus	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	1,320	16,881	(11,318)	11,244	174	169,587	187,888
FUND SURPLUS, BEGINNING OF YEAR	57,967	4,498	19,736	11,782	9,938	513,790	617,711
FUND SURPLUS, END OF YEAR	\$ 59,287	\$ 21,379	\$ 8,418	\$ 23,026	\$ 10,112	\$ 683,377	\$ 805,599

CITY OF PORTAGE LA PRAIRIE
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2013

	2013			2012
	Glesby Centre	Utility Replacement 6846	Utility Nutrient Removal 8378	Total
REVENUE				Total
Investment income	\$ -	\$ 168,511	\$ 96,347	\$ 375,999
Other income	-	-	-	-
Total revenue	-	168,511	96,347	375,999
EXPENSES				
Investment charges	-	-	-	-
Other expenses	-	-	-	-
Total expenses	-	-	-	-
NET REVENUES	-	168,511	96,347	375,999
TRANSFERS				
Transfers from general operating fund	10,000	-	-	4,019,752
Transfers to general operating fund	-	-	-	(1,167,948)
Transfer from nominal surplus	-	-	-	-
Transfers from utility operating fund	-	2,113,706	1,333,054	3,464,760
Transfers to utility operating fund	-	(594,658)	(300,000)	(894,658)
Acquisition of tangible capital assets	-	-	-	(257,996)
CHANGE IN RESERVE FUND BALANCES	10,000	1,687,559	1,129,401	5,539,909
FUND SURPLUS, BEGINNING OF YEAR	10,042	7,609,170	3,788,523	16,867,764
FUND SURPLUS, END OF YEAR	\$ 20,042	\$ 9,296,729	\$ 4,917,924	\$ 22,407,673

CITY OF PORTAGE LA PRAIRIE
SCHEDULE OF TRUST FUNDS
For the Year Ended December 31, 2013

SCHEDULE 7

	2013						Sub - Total
	Northeast Community Family Care	Willow Bay Paving in Trust	Cemetery Perpetual Trust	West-end Development Trust	Manitoba Hydro	Fire Equipment	
ASSETS							
Cash and temporary investments	\$ 1,511	\$ 4,045	\$ 138,075	\$ 20	\$ 51,177	\$ -	\$ 194,828
Portfolio investments	-	-	121,750	-	-	-	121,750
Due from Municipality	-	-	9,428	-	-	7,640	17,068
	<u>\$ 1,511</u>	<u>\$ 4,045</u>	<u>\$ 269,253</u>	<u>\$ 20</u>	<u>\$ 51,177</u>	<u>\$ 7,640</u>	<u>\$ 333,646</u>
LIABILITIES AND FUND BALANCES							
Due to Municipality	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance	1,511	4,045	269,253	20	51,177	7,640	333,646
	<u>\$ 1,511</u>	<u>\$ 4,045</u>	<u>\$ 269,253</u>	<u>\$ 20</u>	<u>\$ 51,177</u>	<u>\$ 7,640</u>	<u>\$ 333,646</u>
REVENUES							
Contributions and donations	\$ -	\$ -	\$ 4,849	\$ -	\$ -	\$ -	\$ 4,849
Investment income	26	70	5,725	-	888	-	6,709
	<u>26</u>	<u>70</u>	<u>10,574</u>	<u>-</u>	<u>888</u>	<u>-</u>	<u>11,558</u>
EXPENDITURES							
Cemetery maintenance	-	-	-	-	-	-	-
Distribution to beneficiaries	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	26	70	10,574	-	888	-	11,558
FUND BALANCE, BEGINNING OF YEAR	1,485	3,975	258,679	20	50,289	7,640	322,088
FUND BALANCE, END OF YEAR	<u>\$ 1,511</u>	<u>\$ 4,045</u>	<u>\$ 269,253</u>	<u>\$ 20</u>	<u>\$ 51,177</u>	<u>\$ 7,640</u>	<u>\$ 333,646</u>

CITY OF PORTAGE LA PRAIRIE
 SCHEDULE OF TRUST FUNDS
 For the Year Ended December 31, 2013

SCHEDULE 7

	2013			2012	
	Multiplex Public Contributions	DARE Program	2014 Election Surplus	Total	Total
ASSETS					
Cash and temporary investments	\$ 1,169	\$ 914	\$ -	\$ 196,911	\$ 336,218
Portfolio investments	-	-	-	121,750	4,500
Due from Municipality	-	-	24	17,092	332,466
	<u>\$ 1,169</u>	<u>\$ 914</u>	<u>\$ 24</u>	<u>\$ 335,753</u>	<u>\$ 673,184</u>
LIABILITIES AND FUND BALANCES					
Due to Municipality	\$ 1,169	\$ -	\$ -	\$ 1,169	\$ -
Fund balance	-	914	24	334,584	673,184
	<u>\$ 1,169</u>	<u>\$ 914</u>	<u>\$ 24</u>	<u>\$ 335,753</u>	<u>\$ 673,184</u>
REVENUES					
Contributions and donations	\$ 116,254	\$ 20	\$ -	\$ 121,123	\$ 334,515
Investment income	327	-	-	7,036	12,092
	<u>116,581</u>	<u>20</u>	<u>-</u>	<u>128,159</u>	<u>346,607</u>
EXPENDITURES					
Cemetery maintenance	-	-	-	-	-
Distribution to beneficiaries	465,927	-	-	465,927	2,740
Other	404	428	-	832	2,024
	<u>466,331</u>	<u>428</u>	<u>-</u>	<u>466,759</u>	<u>4,764</u>
EXCESS OF REVENUES OVER EXPENDITURES	(349,750)	(408)	-	(338,600)	341,843
FUND BALANCE, BEGINNING OF YEAR	349,750	1,322	24	673,184	331,341
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ 914</u>	<u>\$ 24</u>	<u>\$ 334,584</u>	<u>\$ 673,184</u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

December 31, 2013

	<u>2013</u>	<u>2012</u>
	Total	Total
FINANCIAL ASSETS		
Amounts receivable	\$ 918,899	\$ 779,258
Due from other funds	-	131,733
	<u>\$ 918,899</u>	<u>\$ 910,991</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 316,110	\$ 521,760
Long-term debt (Note 9)	4,162,129	4,999,897
Due to other funds	355,642	-
	<u>4,833,881</u>	<u>5,521,657</u>
NET FINANCIAL DEBT	<u>\$ (3,914,982)</u>	<u>\$ (4,610,666)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 5,055,705	\$ 7,324,432
Inventories	248,321	224,395
	<u>5,304,026</u>	<u>7,548,827</u>
FUND SURPLUS	<u>\$ 1,389,044</u>	<u>\$ 2,938,161</u>

CITY OF PORTAGE LA PRAIRIE
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2013

SCHEDULE 9

	<u>Budget</u>	<u>2013</u>	<u>2012</u>
REVENUE			
Water			
Water fees	\$ 8,585,895	\$ 8,806,873	\$ 7,839,455
Bulk Water fees	-	8,716	15,646
sub-total- water	<u>8,585,895</u>	<u>8,815,589</u>	<u>7,855,101</u>
Sewer			
Sewer fees	36,200	20,043	28,258
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>36,200</u>	<u>20,043</u>	<u>28,258</u>
Property taxes	<u>-</u>	<u>-</u>	<u>173,666</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	57,700	57,725	57,765
Connection charges	3,500	21,291	80,769
Installation service	-	-	-
Penalties	7,800	8,876	8,343
Contributed tangible capital assets	-	-	-
Investment income	-	29,352	29,096
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	2,061,732	893,415	665,964
sub-total- other	<u>2,130,732</u>	<u>1,010,659</u>	<u>841,937</u>
Total revenue	<u>10,752,827</u>	<u>9,846,291</u>	<u>8,898,962</u>

CITY OF PORTAGE LA PRAIRIE
SCHEDULE OF UTILITY OPERATIONS (cont'd)
For the Year Ended December 31, 2013

SCHEDULE 9

	<u>Budget</u>	<u>2013</u>	<u>2012</u>
EXPENSES			
General			
Administration	2,289,900	1,335,186	991,260
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>2,289,900</u>	<u>1,335,186</u>	<u>991,260</u>
Water General			
Purification and treatment	2,034,300	1,834,068	1,836,631
Water purchases	-	-	-
Transmission and distribution	1,423,722	1,112,224	1,332,112
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>3,458,022</u>	<u>2,946,292</u>	<u>3,168,743</u>
Water Amortization & Interest			
Amortization	1,542,101	1,542,101	1,529,002
Interest on long term debt	159,920	159,920	192,494
sub-total- water amortization & interest	<u>1,702,021</u>	<u>1,702,021</u>	<u>1,721,496</u>
Sewer General			
Collection system costs	1,526,850	1,100,718	771,176
Treatment and disposal cost	236,000	153,833	314,088
Lift Station costs	315,300	215,085	208,241
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	10,000	-	-
sub-total- sewer general	<u>2,088,150</u>	<u>1,469,636</u>	<u>1,293,505</u>
Sewage Amortization & Interest			
Amortization	1,204,837	1,204,837	1,204,837
Interest on long term debt	159,920	159,920	192,495
sub-total- sewer amortization & interest	<u>1,364,757</u>	<u>1,364,757</u>	<u>1,397,332</u>
Total expenses	<u>10,902,850</u>	<u>8,817,892</u>	<u>8,572,336</u>
NET OPERATING SURPLUS (DEFICIT)	(150,023)	1,028,399	326,626
TRANSFERS			
Transfers from (to) operating fund	3,501	(7,414)	-
Transfers from (to) nominal surplus	-	-	(210,676)
Transfers from (to) reserve funds	1,325,646	(2,570,102)	(1,497,129)
CHANGE IN UTILITY FUND BALANCE	<u>\$ 1,179,124</u>	(1,549,117)	(1,381,179)
FUND SURPLUS, BEGINNING OF YEAR		<u>2,938,161</u>	<u>4,319,340</u>
FUND SURPLUS, END OF YEAR		<u>\$ 1,389,044</u>	<u>\$ 2,938,161</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2013

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 9,818,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,818,102
Grants in lieu of taxation	860,605	-	-	-	-	-	-	860,605
User fees	1,252,264	-	-	-	-	-	1,577,299	2,829,563
Permits, licences and fines	363,600	-	-	-	-	-	-	363,600
Investment income	40,000	-	-	-	-	-	15,865	55,865
Other revenue	150,802	-	-	-	-	-	3,557	154,359
Water and sewer	-	10,752,827	-	-	-	-	-	10,752,827
Grants - Province of Manitoba	2,972,614	-	-	-	-	-	184,942	3,157,556
Grants - other	992,182	-	-	-	-	-	487,901	1,480,083
Transfers from general fund	-	3,501	-	-	(3,501)	-	-	-
Transfers from reserves	1,243,431	2,376,700	-	-	(3,620,131)	-	-	-
Total revenue	\$ 17,693,600	\$ 13,133,028	\$ -	\$ -	\$ (3,623,632)	\$ -	\$ 2,269,564	\$ 29,472,560
EXPENSES								
General government services	\$ 2,024,702	\$ -	\$ 13,878	\$ -	\$ 46,300	\$ -	\$ -	\$ 2,084,880
Protective services	5,317,010	-	113,058	-	-	-	-	5,430,068
Transportation services	1,986,876	-	324,264	50,157	-	-	94,715	2,456,012
Environmental health services	852,900	-	-	-	-	-	395,691	1,248,591
Public health and welfare services	331,450	-	-	-	-	-	-	331,450
Regional planning and development	363,122	-	8,791	-	-	-	214,449	586,362
Resource cons and industrial dev	164,567	-	-	-	-	-	41,152	205,719
Recreation and cultural services	2,198,511	-	1,148,992	705,943	-	-	1,406,205	5,459,651
Water and sewer services	-	7,836,072	2,746,938	319,840	-	-	-	10,902,850
Fiscal services:								
Transfer to capital	1,640,063	2,130,000	-	-	(3,770,063)	-	-	-
Transfer to utility	3,501	-	-	-	(3,501)	-	-	-
Debt charges and short term interest	2,142,500	1,183,251	-	(3,325,751)	-	-	-	-
Transfer to reserves	622,098	1,983,705	-	-	(2,605,803)	-	-	-
Allowance for tax assets and tax discounts	46,300	-	-	-	(46,300)	-	-	-
Total expenses	\$ 17,693,600	\$ 13,133,028	\$ 4,355,921	\$ (2,249,811)	\$ (6,379,367)	\$ -	\$ 2,152,212	\$ 28,705,583
Surplus (Deficit)	\$ -	\$ -	\$ (4,355,921)	\$ 2,249,811	\$ 2,755,735	\$ -	\$ 117,352	\$ 766,977

CITY OF PORTAGE LA PRAIRIE
 ANALYSIS OF TAXES ON ROLL
 December 31, 2013

SCHEDULE 11

	<u>2013</u>	<u>2012</u>
Balance, beginning of year	\$ 812,108	\$ 531,417
Add:		
Tax levy (Schedule 12)	16,695,213	16,140,615
Taxes added	443,253	466,134
Penalties or interest	105,642	94,722
Other accounts added	372,384	329,231
Sub-total	<u>17,616,492</u>	<u>17,030,702</u>
Deduct:		
Cash collections - current	14,283,373	13,907,116
Cash collections - arrears	717,472	492,340
Write-offs	57,793	10,052
Tax discounts	6,581	7,020
M.P.T.C. - cash advance	2,342,575	2,333,483
Sub-total	<u>17,407,794</u>	<u>16,750,011</u>
Balance, end of year	<u><u>\$ 1,020,806</u></u>	<u><u>\$ 812,108</u></u>

CITY OF PORTAGE LA PRAIRIE
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2013

SCHEDULE 12

	2013			2012
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
LI.D.	379,105,710	3.706	1,404,966	1,474,413
At Large	379,105,710	0.160	60,657	176,900
sub-total- Debt charges			<u>1,465,623</u>	<u>1,651,313</u>
Reserves:				
Environmental	379,105,710	0.240	90,985	84,898
Special Admin	379,105,710	0.022	8,340	3,707
Glesby Centre	379,105,710	0.024	9,099	9,268
Fire	379,105,710	0.121	45,872	46,342
Sidewalk	379,105,710	0.049	18,576	9,268
Computer	379,105,710	0.073	27,675	27,805
General	379,105,710	1.506	570,933	425,975
Equipment Replacement	379,105,710	0.389	147,472	143,474
sub-total- Reserves			<u>918,952</u>	<u>750,737</u>
General municipal	379,105,710	18.957	<u>7,186,708</u>	<u>6,376,974</u>
Special levies:				
Assessment Levy	379,105,710	0.383	145,197	146,070
Debenture PR240			-	97,503
Debenture Debt Wilkinson Cres			-	424,862
sub-total- Special levies			<u>145,197</u>	<u>668,435</u>
Total municipal taxes (Schedule 2)			<u>9,716,480</u>	<u>9,447,459</u>
Education support levy	101,530,050	11.830	<u>1,201,100</u>	<u>1,136,674</u>
Special levies:				
Portage la Prairie School Division	367,300,220	15.730	<u>5,777,633</u>	<u>5,556,482</u>
Total education taxes			<u>6,978,733</u>	<u>6,693,156</u>
Total tax levy (Schedule 11)			<u><u>\$ 16,695,213</u></u>	<u><u>\$ 16,140,615</u></u>

CITY OF PORTAGE LA PRAIRIE
ANALYSIS OF SCHOOL ACCOUNTS
December 31, 2013

SCHEDULE 13

	2013				2012
	Opening Balance	Current Requirement	Current Payment	Ending Balance	Ending Balance
Education support levy	\$ 245,619	\$ 1,484,020	\$ (1,471,419)	\$ 258,220	\$ 245,619
Special levies					
Portage School Division #24	696,108	6,323,303	(6,294,344)	725,067	696,108
Total	<u>\$ 941,727</u>	<u>\$ 7,807,323</u>	<u>\$ (7,765,763)</u>	<u>\$ 983,287</u>	<u>\$ 941,727</u>

CITY OF PORTAGE LA PRAIRIE
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2013

SCHEDULE 14

	<u>2013 Actual</u>	<u>2012 Actual</u>
General government services:		
Legislative	\$ 145,330	\$ 156,983
General administrative	1,685,821	1,641,939
Other	186,662	374,430
	<u>2,017,813</u>	<u>2,173,352</u>
Protective services:		
Police	3,294,002	3,267,972
Fire	1,777,156	1,664,830
Emergency measures	41,559	42,412
Other	95,265	92,909
	<u>5,207,982</u>	<u>5,068,123</u>
Transportation services:		
Road transport		
Administration and engineering	233,860	211,792
Road and street maintenance	1,821,383	2,333,886
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	85,169	114,008
Street lighting	222,897	214,141
Other	-	-
Air transport	-	-
Public transit	26,400	33,865
Other	-	-
	<u>2,389,709</u>	<u>2,907,692</u>
Environmental health services:		
Waste collection and disposal	458,085	456,900
Recycling	192,338	321,401
Other	-	-
	<u>650,423</u>	<u>778,301</u>
Public health and welfare services:		
Public health	230,061	213,152
Medical care	-	-
Social assistance	78,471	86,221
Other	-	-
	<u>308,532</u>	<u>299,373</u>
Regional planning and development		
Planning and zoning	76,720	91,824
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	198,229	194,558
Other	113,037	84,693
	<u>387,986</u>	<u>371,075</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	356,146	218,690
Industrial development	5,776	7,289
Tourism	3,189	4,706
Other	27,233	15,244
	<u>392,344</u>	<u>245,929</u>
Sub-totals forward	<u>11,354,789</u>	<u>11,843,845</u>

CITY OF PORTAGE LA PRAIRIE
 SCHEDULE OF GENERAL OPERATING FUND EXPENSES
 For the Year Ended December 31, 2013

SCHEDULE 14

	<u>2013 Actual</u>	<u>2012 Actual</u>
Sub-totals forward	<u>11,354,789</u>	<u>11,843,845</u>
Recreation and cultural services:		
Administration	1,223,143	1,203,169
Community centers and halls	60,000	60,000
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	11,337	7,236
Parks and playgrounds	307,211	322,285
Other recreational facilities	1,901,470	2,198,047
Museums	-	-
Libraries	334,164	338,705
Other cultural facilities	90,651	106,155
	<u>3,927,976</u>	<u>4,235,597</u>
Total expenses	<u>\$ 15,282,765</u>	<u>\$ 16,079,442</u>

CITY OF PORTAGE LA PRAIRIE
 SCHEDULE OF L.U.D. OPERATIONS
 For the Year Ended December 31, 2013

SCHEDULE 15

	2013 Budget	2013 Actual	2012 Actual
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
Total revenue	-	-	-
Expenses			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	-	-	-
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
Change in L.U.D. balances	-	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		-	-

CITY OF PORTAGE LA PRAIRIE
 SCHEDULE OF DEBENTURES PENDING
 December 31, 2013

SCHEDULE 16

Authority	Purpose	Source of Funds	Authorized	Expended
			\$ -	\$ -
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			<u>\$ -</u>	<u>\$ -</u>

CITY OF PORTAGE LA PRAIRIE

SCHEDULE 17

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)

December 31, 2013

	General	2013 Utility	Total	2012 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ (116,490)	\$ (196,659)	\$ (313,149)	\$ 859,501
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	4,019,752	3,464,760	7,484,512	4,987,895
Eliminate revenue - transfers from reserves	(1,425,944)	(894,658)	(2,320,602)	(2,815,422)
Increase revenue - reserve funds interest	375,999	-	375,999	305,982
Increase revenue - Net surplus of consolidated entities	117,352	-	117,352	81,573
Eliminate revenue - transfer from nominal surplus	-	-	-	(311,501)
Increase expense - amortization of tangible capital assets	(1,608,983)	(2,746,938)	(4,355,921)	(4,343,809)
Decrease expense - principal portion of debenture debt	1,355,407	837,768	2,193,175	2,280,032
Eliminate expense - acquisitions of tangible capital assets	560,629	564,126	1,124,755	249,863
	\$ 3,277,722	\$ 1,028,399	\$ 4,306,121	\$ 1,294,114
NET SURPLUS PER CONSOLIDATED STATEMENT OF OPERATIONS				