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Mr. Kevin Richter, CPA, CMA, Director of Finance
City of Selkirk
200 Eaton Avenue
Selkirk, Manitoba
R1A 0W6

February 8, 2021

Dear Mr. Richter

Re: Supplement to the Auditors' Report

We are providing this letter in connection with our audit of the financial statements of City of Selkirk for the year ended December 31, 2019. The objective of our audit was to obtain reasonable assurance whether the financial statements are free of material misstatement. This letter fulfills our responsibility under Section 190(2) of the Municipal Act to report to Council certain matters which could possibly be identified during the course of our audit. An audit is not designed nor intended to carry out procedures on the matters specified in the Act. No procedures have been carried out in addition to those necessary to form an opinion on the financial statements. Accordingly not all relevant transactions or conditions may have been encountered during our audit and thus we cannot state the matters reported below are the only matters that would be reportable under Section 190(2) of the Municipal Act. In addition it is inappropriate to conclude that no such matters exist or that accounting procedures and systems of control employed by the municipality are effective. Pursuant to Section 190(2) of the Municipal Act we report to you:

1. To the best of our knowledge, the accounting procedures and systems of control employed by the municipality are adequate to preserve and protect its assets. However our financial statement audit was not designed to address all relevant controls nor have we utilised generally accepted criteria against which to evaluate the matter as would normally be required when providing an assurance as to whether the accounting procedures and systems of control were effective.
2. To the best of our knowledge, the funds of the municipality have been disbursed only under authority granted by an Act of the Legislature or under authority of a resolution or by-law of the municipality made under the authority of an Act of the Legislature, however our financial statement audit did not include all relevant transactions.
3. No irregularity or discrepancy in the administration of the affairs of the municipality by the Council came to our attention in the course of our audit; only the following irregularities or discrepancies would come to our attention during the course of our audit: misstatements other than trivial errors; fraud; misstatements that may cause future financial statements to be materially misstated; illegal or possibly illegal acts, other than ones considered inconsequential; or significant weaknesses in internal control over financial reporting.
4. There are no other matters, that we consider necessary, to be brought to the attention of Council at this time.



5. We have no recommendations that we consider necessary or advisable regarding the proper performance of duties and the keeping of records and books of account, other than those noted in the management letter.

This communication is prepared solely for the information of management and is not intended for any other purposes. We accept no responsibility to a third party who uses this communication. We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.

Yours truly

A handwritten signature in black ink, appearing to read 'J. Maccès', written over a horizontal line.

Johan Maccès, CPA, CA
Partner
BDO Canada LLP
Chartered Professional Accountants

CITY OF SELKIRK

**Consolidated Financial Statements
For the Year Ended December 31, 2019**

STATEMENT OF RESPONSIBILITY

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

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

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

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



Duane Nicol
Chief Administrative Officer



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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the consolidated financial statements of the City of Selkirk and its group reporting entities (the "City"), which comprise the consolidated statement of financial position as at December 31, 2019 and the consolidated statements of operations, change in net debt, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2019, and its consolidated results of operations, its consolidated change in net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Matter

We draw attention to Note 22 to the consolidated Financial Statements, which explains that certain previously reported figures for the year ended December 31, 2018 have been restated. Our opinion is not modified as a result of this matter.

Responsibilities of Management and Those Charged with Governance 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 control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

BDO Canada LLP

Chartered Professional Accountants

Winnipeg, Manitoba
February 8, 2021

CITY OF SELKIRK
Consolidated Financial Statements
For the Year Ended December 31, 2019

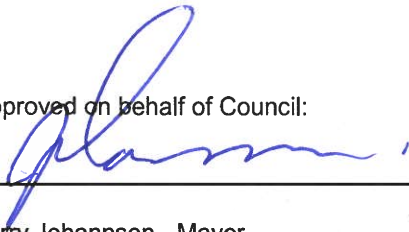
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**CITY OF SELKIRK
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2019**

(Restated Note 22)

	<u>2019</u>	<u>2018</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 5,116,422	\$ 15,640,930
Amounts receivable (Note 4)	9,926,417	6,315,588
Loans and advances (Note 5)	233,262	238,611
	<u>\$ 15,276,101</u>	<u>\$ 22,195,129</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 10,407,632	\$ 6,078,735
Unearned revenue (Note 8)	27,198	8,097
Landfill closure and post closure liabilities (Note 9)	656,709	651,283
Long-term debt (Note 10)	6,172,309	6,613,798
Deposits and other liabilities	846,560	996,216
	<u>18,110,408</u>	<u>14,348,129</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ (2,834,307)</u>	<u>\$ 7,847,000</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 97,322,654	\$ 63,686,162
Inventories (Note 6)	18,584	21,548
Prepaid expenses	118,337	97,452
	<u>97,459,575</u>	<u>63,805,162</u>
ACCUMULATED SURPLUS (Note 15)	<u>\$ 94,625,268</u>	<u>\$ 71,652,162</u>

Approved on behalf of Council:



Larry Johannson - Mayor



John Buffie - Audit Review Committee Chair

The accompanying notes are an integral part of this financial statement

**CITY OF SELKIRK
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2019**

(Restated Note 22)

	2019 Budget (Note 14)	2019 Actual	2018 Actual
REVENUE			
Property taxes	\$ 10,748,497	\$ 10,888,871	\$ 10,521,449
Grants in lieu of taxation	1,277,541	1,279,474	1,227,840
User fees	2,270,155	2,013,631	2,123,134
Permits, licences and fines	287,416	266,021	353,699
Investment income	103,910	473,888	464,634
Other revenue	487,155	2,586,964	1,634,749
Water and sewer	5,227,717	4,982,049	4,111,863
Grants - Province of Manitoba	15,019,195	10,615,337	4,277,990
Grants - other	12,593,466	9,856,691	2,812,286
Total revenue (Schedules 2, 4 and 5)	<u>48,015,052</u>	<u>42,962,926</u>	<u>27,527,644</u>
EXPENSES			
General government services	2,940,151	2,713,777	2,520,877
Protective services	4,191,468	4,182,775	4,011,830
Transportation services	3,480,877	3,227,380	3,058,018
Environmental health services	1,070,373	1,018,587	992,964
Public health and welfare services	527,301	510,466	531,670
Regional planning and development	532,054	511,524	465,477
Resource conservation and industrial development	566,160	407,080	433,979
Recreation and cultural services	4,265,726	3,744,661	3,521,793
Water and sewer services	<u>3,979,765</u>	<u>3,673,570</u>	<u>3,745,419</u>
Total expenses (Schedules 3, 4 and 5)	<u>21,553,875</u>	<u>19,989,820</u>	<u>19,282,027</u>
ANNUAL SURPLUS	<u>\$ 26,461,177</u>	<u>22,973,106</u>	<u>8,245,617</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>71,652,162</u>	<u>63,406,545</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 94,625,268</u>	<u>\$ 71,652,162</u>

The accompanying notes are an integral part of this financial statement

CITY OF SELKIRK
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)
For the Year Ended December 31, 2019

	2019 Budget (Note 14)	2019 Actual	(Restated Note 22) 2018 Actual
ANNUAL SURPLUS (DEFICIT)	<u>\$26,461,177</u>	<u>\$22,973,106</u>	<u>\$ 8,245,617</u>
Acquisition of tangible capital assets	(28,743,542)	(36,439,298)	(12,637,134)
Amortization of tangible capital assets	2,684,848	2,710,268	2,507,433
Loss (gain) on sale of tangible capital assets	-	70,470	(786,484)
Proceeds on sale of tangible capital assets	-	22,068	851,840
Writedown of assets	-	-	-
Decrease (increase) in inventories	-	2,964	6,340
Decrease (increase) in prepaid expense	-	(20,885)	(14,825)
	<u>(26,058,694)</u>	<u>(33,654,413)</u>	<u>(10,072,830)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>402,483</u>	<u>(10,681,307)</u>	<u>(1,827,213)</u>
NET FINANCIAL ASSETS (NET DEBT), BEGINNING OF YEAR		<u>7,847,000</u>	<u>9,674,213</u>
NET FINANCIAL ASSETS (NET DEBT), END OF YEAR		<u><u>\$ (2,834,307)</u></u>	<u><u>\$ 7,847,000</u></u>

The accompanying notes are an integral part of this financial statement

CITY OF SELKIRK
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2019

	2019	(Restated Note 22) 2018
OPERATING TRANSACTIONS		
Annual surplus	\$ 22,973,106	\$ 8,245,617
Changes in non-cash items:		
Amounts receivable	(3,610,829)	(2,954,873)
Loans and advances	5,349	5,519
Inventories	2,964	6,340
Prepays	(20,885)	(14,825)
Accounts payable and accrued liabilities	4,328,897	2,672,648
Unearned revenue	19,101	(10,725)
Landfill closure and post closure liabilities	5,426	5,353
Deposits and other liabilities	(149,656)	250,983
Loss (gain) on sale of tangible capital asset	70,470	(786,484)
Amortization	2,710,268	2,507,433
Cash provided by operating transactions	<u>26,334,211</u>	<u>9,926,986</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	22,068	851,840
Cash used to acquire tangible capital assets	<u>(36,439,298)</u>	<u>(12,637,134)</u>
Cash applied to capital transactions	<u>(36,417,230)</u>	<u>(11,785,294)</u>
FINANCING TRANSACTIONS		
Debt repayment	<u>(441,489)</u>	<u>(500,716)</u>
Cash applied to financing transactions	<u>(441,489)</u>	<u>(500,716)</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	(10,524,508)	(2,359,024)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>15,640,930</u>	<u>17,999,954</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 5,116,422</u></u>	<u><u>\$ 15,640,930</u></u>

The accompanying notes are an integral part of this financial statement

CITY OF SELKIRK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

1. Status of the City of Selkirk

The incorporated City of Selkirk ("the City") is a municipal government that was created in 1882 pursuant to the Manitoba Municipal Act. The City provides or funds municipal services such as police, fire, public works, regional planning, parks and recreation, library and other general government operations. The City owns a utility, has several designated special purpose reserves and provides funding support for other financial entities involved in providing a variety of municipal services.

2. Significant Accounting Policies

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

a) Reporting Entity

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

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

Gaynor Family Regional Library (consolidated 57.73%) (consolidated 57.73% in 2018)
North Red Community Water Maintenance (consolidated 33.33%) (consolidated 33.33% in 2018)
Red River North Flood Consortium (consolidated 20.00%) (consolidated 20.00% in 2018)
Red River Planning District (consolidated 18.75%) (consolidated 18.75% in 2018)
Selkirk Weed Control District (consolidated 29.84%) (consolidated 29.84% in 2018)

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

b) Basis of Accounting

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

c) Cash and Temporary Investments

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

d) 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.

e) 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.

CITY OF SELKIRK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

f) 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 typically does not capitalize internal finance charges as part of the cost of its tangible capital assets.

The cost, less residual value, of the tangible capital asset is amortized on a straight line basis over its useful life. Assets under construction are not amortized until put into use.

General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	20 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	5 to 30 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	4 years

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 to 30 years
Water and Sewer	
Land	Indefinite
Land improvements	30 to 50 years
Buildings	20 to 40 years
Underground networks	30 to 100 years
Machinery and equipment	5 to 30 years
Dams and other surface water structures	40 to 60 years

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

g) Leases

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

h) 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.

i) Revenue Recognition

Revenues are recognized as they are earned and measurable.

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

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

CITY OF SELKIRK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

j) Municipal Tax Credits

The City provides financial assistance to certain organizations by granting a tax credit for municipal taxes. The credit is recorded as an expense as opposed to a reduction in municipal tax revenue. In cases where the assistance is repayable to the City, the repayment is recognized as revenue when received.

k) Measurement Uncertainty

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

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2019</u>	<u>2018</u>
Cash	<u>\$ 5,116,422</u>	<u>\$15,640,930</u>

The City has designated the following cash to reserves for commitments and tangible capital asset acquisitions. See Schedule 6 - Schedule of Change in Reserve Fund Balances.

Designated Reserve Funds	<u>\$12,721,148</u>	<u>\$15,288,998</u>
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In February 2020, the City secured a \$5,000,000 line of credit. The line of credit is repayable on demand and bears interest at the credit union's prime rate less 3/4%, being 3.95%. Interest is paid monthly. The line of credit is secured by property taxes levied.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2019</u>	<u>2018</u>
Taxes on roll (Schedule 11)	\$ 1,025,974	\$ 731,552
Government grants	6,712,822	2,813,513
Utility customers	1,142,589	943,014
Organizations and individuals	667,043	1,613,926
Other governments	<u>480,263</u>	<u>315,721</u>
	10,028,691	6,417,726
Less allowances for doubtful amounts	<u>(102,274)</u>	<u>(102,138)</u>
	<u>\$ 9,926,417</u>	<u>\$ 6,315,588</u>

5. Loans and advances

The loan is receivable from the Selkirk Food Bank Inc. and is repayable in monthly installments of \$1,372 including interest calculated at 4.75%. The loan is secured by a mortgage on the property at 310 Christie Street, Selkirk.

	<u>2019</u>	<u>2018</u>
	<u>\$ 233,262</u>	<u>\$ 238,611</u>

6. Inventories

Inventories for use:

	<u>2019</u>	<u>2018</u>
Fuel	\$ 17,357	\$ 20,084
Chemicals	<u>1,227</u>	<u>1,464</u>
	<u>\$ 18,584</u>	<u>\$ 21,548</u>

CITY OF SELKIRK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

7. Accounts Payable and Accrued Liabilities

	<u>2019</u>	<u>2018</u>
Accounts payable	\$ 5,013,295	\$ 2,359,372
Accrued expenses	822,879	349,088
School levies	389,039	352,153
Other governments	4,182,419	3,018,122
	<u>\$ 10,407,632</u>	<u>\$ 6,078,735</u>

8. Unearned Revenue

	<u>2019</u>	<u>2018</u>
Other	<u>\$27,198</u>	<u>\$8,097</u>

9. Landfill Closure and Post Closure Liabilities

a) Operating Landfill Site

The City currently has no operating landfills.

b) Closed Landfill Sites

	<u>2019</u>	<u>2018</u>
Estimated post closure costs over the next 20 years	<u>\$656,709</u>	<u>\$651,283</u>

Legislation requires the City to monitor its closed landfill site(s). Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports. Estimated post closure costs over the next 20 years is estimated to be \$1,189,273 (\$1,179,168 in 2018). The City uses a discount rate of 6% (6% in 2018) to arrive at its post closure liability.

10. Long-term Debt

	<u>2019</u>	<u>2018</u>
<u>General Authority Debentures</u>		
Debenture for paving, interest at 5.625%, payable at \$40,132 annually including interest, maturing 2020.	\$ 37,995	\$ 73,966
Debenture for storm sewers, interest at 4.3%, payable at \$325,347 annually including interest, maturing 2031.	3,000,941	3,189,155
Debenture for paving, interest at 3.420%, payable at \$15,279 annually including interest, maturing 2027.	<u>105,380</u>	<u>116,669</u>
	<u>\$ 3,144,316</u>	<u>\$ 3,379,790</u>
<u>Utility Fund Debentures</u>		
Debenture for sewer relining, at 5.625%, payable at \$19,287 annually including interest, maturing 2020.	\$ 18,260	\$ 35,548
Debenture for sewer relining, interest at 5.5%, payable at \$30,663 annually including interest, maturing 2024.	130,941	153,179
Debenture for water treatment plant, interest at 4.02%, payable at \$251,542 annually including interest, maturing 2032.	2,508,694	2,653,563
Debenture for sewer relining, interest at 3.81%, payable at \$15,845 annually including interest, maturing 2027.	<u>107,522</u>	<u>118,839</u>
	<u>\$ 2,765,417</u>	<u>\$ 2,961,129</u>
Total debentures	<u>\$ 5,909,733</u>	<u>\$ 6,340,919</u>

The debentures of the City have been issued with terms of 10 to 20 years to maturity.

CITY OF SELKIRK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

Other Long-term Debt - Government

Loan with Sunova Credit Union, bears interest at a floating rate of 3%, interest is paid monthly.	<u>\$ 262,576</u>	<u>\$ 272,879</u>
Total Long-term Debt	<u>\$ 6,172,309</u>	<u>\$ 6,613,798</u>

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

2020	\$ 468,917
2021	430,110
2022	448,302
2023	467,269
2024	484,912
Thereafter	3,872,799

Schedule of Debenture Pending

Authority	Purpose	Amount Authorized
By-law # 5313	Fire Hall Expansion Project	\$ 3,171,011
By-law # 5314	Stormwater Retention Pond In The Industrial Park	\$ 950,000
By-law # 5325	West End Lift Station, Forcemain and Trunk	\$ 1,532,000
By-law # 5326	Downtown Revitalization Project, Manitoba East	\$ 2,600,000
By-law # 5338	New Wastewater Treatment Plant Series "A"	\$ 6,000,000

11. Commitments

- a) The City has the following outstanding obligations as at December 31, 2019: (\$2,889,585 in 2018)
- | | |
|---|------------|
| i) Fire Hall Expansion Project | \$ 757,422 |
| ii) Downtown Renewal Strategy Phase I - Revitalization of MB Ave. | 1,572,471 |
| iii) West End Lift Station, Forcemain and Wastewater Line | 1,534,321 |
- b) The City is constructing a new Waste Water Treatment Plant. Estimated costs are \$39,473,721 of which \$28,986,900 was spent during the period of 2013-2019. Cost sharing agreements with the Government of Canada and the Province of Manitoba, in the amounts of \$11.7M each, were signed in 2017. In addition, the City signed a \$5M loan agreement with the Federation of Canadian Municipalities in 2018 which provides a \$750k grant as a condition of the loan.
- c) The City has extended a non-exclusive long-term contract with Waste Connections of Canada Inc. for handling and disposal of garbage and recycling. Annual charges under the contract are determined by reference to certain waste and recycling volumes handled. Payments made under this contract for 2019 were \$618,998 (\$596,851 in 2018) and are anticipated for 2020 at \$637,568.
- d) The City extended a three year contract with Waste Connections of Canada Inc. for the operation and maintenance of Selkirk's Waste Transfer Station. Payments made under this contract for 2019 were \$261,684 (\$308,760 in 2018) and are anticipated for 2020 at \$269,534.
- e) The City extended a contract with Emterra Environmental for processing of delivered recyclables. Annual charges under the contract are determined in reference to the recycling volumes handled. Payments made under this contract in 2019 were \$61,936 (5 months - \$31,323 in 2018) and are anticipated for 2020 at \$75,176.
- f) The City is contracted with Lakepoint Construction for lime sludge removal and disposal services from the water treatment plant of approximately \$199,300 in 2019 (\$126,000 in 2018).
- g) The City has negotiated a two-year contract with various suppliers for water treatment and wastewater treatment chemicals. Payments anticipated under this contract in 2020 are \$357,835.
- h) The City has negotiated a 31-month contract with Enns Brothers for leasing of Grounds Equipment. Payments anticipated under this contract in 2020 are \$111,041.

CITY OF SELKIRK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

12. Retirement Benefits

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

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the City on behalf of its employees amounted to \$310,700 (\$290,720 in 2018) 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, 2018 indicated the plan was 101.3% funded on a going concern basis and had an unfunded solvency liability of \$229.8 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2018.

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.

13. Financial Instruments

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

14. Budget

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

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

15. Accumulated Surplus

	<u>2019</u>	<u>2018</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 1,013,272	\$ 1,013,272
Utility operating fund - Nominal surplus	76,201	76,201
General capital fund - Capital surplus	28,154,181	20,435,647
Utility capital fund - Capital surplus	51,697,234	33,897,714
Reserve funds	<u>12,721,148</u>	<u>15,288,998</u>
Accumulated surpluses of City unconsolidated	93,662,036	70,711,832
Accumulated surpluses of consolidated entities	<u>963,232</u>	<u>940,330</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 94,625,268</u>	<u>\$ 71,652,162</u>

CITY OF SELKIRK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

16. Public Sector Compensation Disclosure

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$75,000 annually to any member of council, officer or employee of the City. For the year ended December 31, 2019:

- a) Compensation paid to members of council amounted to \$222,827 in aggregate.
b) There were no members of council receiving compensation in excess of \$75,000 individually.

Council Members:	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor - L. Johannson	\$ 37,642	\$ 11,980	\$ 49,622
Deputy Mayor - D. Swiderski	25,230	8,057	33,287
Councillor - J. Buffie	22,396	9,803	32,199
Councillor - K. Cook	18,915	2,992	21,907
Councillor - L. Fiddler	20,155	6,811	26,966
Councillor - A. Hourie	21,087	8,162	29,249
Councillor - D. Poirier	20,986	8,611	29,597
	<u>\$ 166,411</u>	<u>\$ 56,416</u>	<u>\$ 222,827</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
D. Nicol	Chief Administrative Officer	\$ 170,976
K. Richter	Director of Finance	122,783
E. Henrichsen	Director of Corporate Services	109,189
D. McDermid	Director of Operations	108,053
J. Duff	Director of Protective Services	100,685
D. Scott	Manager of Utilities	99,353
T. Feduniw	Director of Sustainable Economic Development	97,833
P. Schaible	Manager of Accounting	94,788
B. Clark	Director of Culture, Recreation, and Green Transportation	92,462
R. Sicinski	Manager of Public Works	92,247
C. Gustafson	Manager of Human Resources	88,285
T. Grobb	Utilities Operator	85,088
J. Crawford	Utilities Operator	81,991
D. Buchel	Utilities Operator	79,340
E. Partyka	Utilities Operator	79,231
S. Blanco	Manager of Buildings and Fleet	78,104
L. McLean	Economic Development Officer	77,732
J. Bukoski	Mechanic III	75,309

17. Segmented Information

The City of Selkirk provides a wide ranges of services to its residents. Segment information has been provided in Schedule 4 for the following services:

General Government

This relates to the revenues and expenses that relate to the operations of the City itself and cannot be directly attributed to a specific segment.

Protective Services

Protection is comprised of RCMP, by-law enforcement, flood protection, fire protection, building inspection, emergency operations and animal control services. The fire department is comprised of paid on-call volunteers who provide fire suppression services, fire prevention programs, training and education. The fire department also responds to motor vehicle accidents. Emergency operations include the emergency operations centres when required. The City is a partner in North Red Community Water Maintenance Inc., which owns, operates and maintains an Amphibex icebreaker to reduce damage caused by ice jams. The City also belongs to the Red River North Flood Consortium, which provides flood protection.

CITY OF SELKIRK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

Transportation Services

Transportation services is responsible for snow clearing, cleaning streets in urban areas, grading gravel roads, applying dust abatement to gravel roads, maintaining boulevards in the urban areas, maintaining and improving drainage along municipal roads as well as paying for utility costs for street lights in urban areas. The City has a service agreement with Selkirk Transit Authority which provides public transportation services to its residents.

Environmental Health Services

Contractors provide services for waste disposal and transportation to the disposal ground as well as the pickup of materials to be recycled. The City also provides mosquito control.

Public Health and Welfare Services

The City pays the Province of Manitoba an annual levy to administer social assistance to their residents. The City has a service agreement with Selkirk Transit Authority which provides mobility transportation services to its residents.

Regional Planning and Development

The City is responsible for final decisions on subdivision applications and for its Zoning By-Laws. The City is in partnership with Red River Planning District who provides planning services within the boundaries of its member municipalities. The City belongs to the Selkirk Weed Control District, which deals with noxious weeds.

Resource Conservation and Industrial Development

The City of Selkirk's Sustainable Economic Development department supports new business development and encourages existing businesses to reach their full potential in our City. The City provides many tourism activities and events for our visitors. The City supports the East Interlake Conservation District which provides residents of the Interlake the resources they need to help improve the health of their local watersheds.

Recreation and Cultural Services

The City provides recreation programs, services and facilities, to improve the health and well-being of its citizens. Library services are provided by Gaynor Family Regional Library.

Water and Sewer Services

The City provides potable drinking water to their citizens along with wastewater treatment services. The city works with regulatory authorities to ensure that they are in compliance with their standards for water and wastewater.

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.

CITY OF SELKIRK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

18. Government Partnerships

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

	<u>2019</u>	<u>2018</u>
Financial Position		
Financial Assets	\$ 1,104,255	\$ 1,099,093
Liabilities	<u>343,289</u>	<u>335,127</u>
Net financial assets (liabilities)	<u>760,966</u>	<u>763,966</u>
Non-financial assets	<u>173,667</u>	<u>157,067</u>
Accumulated surplus	<u>\$ 934,633</u>	<u>\$ 921,033</u>
Result of Operations		
Revenues	\$ 1,117,661	\$ 1,227,476
Expenses	<u>1,217,614</u>	<u>1,247,464</u>
Annual surplus (deficit)	<u>\$ (99,953)</u>	<u>\$ (19,988)</u>

The City's consolidated financial statements include the operations of the partnerships net of an adjustment to the annual surplus (deficit) for \$113,543 (\$109,843 in 2018) to eliminate revenue and expenses between the City and the partnerships.

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 City 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.

<u>Description of Utility</u>	<u>Unamortized Opening Balance</u>	<u>Additions During Year</u>	<u>Amortization During Year</u>	<u>Unamortized Balance Ending</u>
Water	<u>\$ 9,230,578</u>	<u>\$ 449,679</u>	<u>\$ 232,429</u>	<u>\$ 9,447,828</u>
	<u>Unamortized Opening Balance</u>	<u>Additions During Year</u>	<u>Amortization During Year</u>	<u>Unamortized Balance Ending</u>
Sewer	<u>\$ 5,260,384</u>	<u>\$ 14,730,462</u>	<u>\$ 75,060</u>	<u>\$ 19,915,786</u>

20. Comparative Figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

21. Subsequent Event

Subsequent to year end, the impact of COVID-19 in Canada and on the global economy increased significantly. As the impacts of COVID-19 continue, there could be further impact on the City, its citizens, employees, suppliers and other third party business associates that could impact the timing and amounts realized on the City's assets and future ability to deliver services and projects. At this time, the full potential impact of COVID-19 on the City is not known. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. The City's ability to continue delivering non-essential services and employ related staff will depend on the legislative mandates from the various levels of government. The City will continue to focus on collecting receivables, managing expenditures, and leveraging existing reserves and available credit facilities to ensure it is able to continue providing essential services to its citizens.

CITY OF SELKIRK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2019

22. Prior Period Adjustment

The City participated in a joint venture to construct the Gaynor Family Regional Library (the Library) that substantially completed in 2014. The methodology used in prior periods to prepare the consolidated financial statements, did not accurately reflect the City's ownership percentage of the Library and its pro-rata share of the assets and expenses of the Red River Planning District (the Planning District), resulting in a misstatement.

The City's prior year consolidated financial statements and related schedules have been restated to correctly reflect the City's ownership and its pro-rata share of the assets and expenses of the Planning District. The adjustments are as follows:

Tangible capital assets	\$ 62,936,340
Add: Adjustment of the City's ownership percentage and the City's pro-rata share of Planning District	<u>749,822</u>
Tangible capital assets, restated	<u><u>\$ 63,686,162</u></u>
Cash and temporary investments	\$ 15,628,211
Add: Adjustment of the City's pro-rata share of Planning District	<u>12,719</u>
Cash and temporary investments, restated	<u><u>\$ 15,640,930</u></u>
Accumulated surplus	\$ 70,889,621
Add: Adjustment of the City's ownership percentage and the City's pro-rata share of Planning District	<u>762,541</u>
Accumulated surplus, restated	<u><u>\$ 71,652,162</u></u>
Annual surplus	\$ 8,263,838
Less: Adjustment of the City's ownership percentage and the City's pro-rata share of Planning District	<u>(18,221)</u>
Annual Surplus, restated	<u><u>\$ 8,245,617</u></u>

CITY OF SELKIRK
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2019

SCHEDULE 1

	General Capital Assets				Infrastructure				Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2019	2018
Cost										
Opening costs	7,620,482	15,332,442	7,796,198	655,668	3,522,938	16,644,732	48,706,183	7,871,985	108,150,628	96,084,397
Additions during the year	3,607,769	137,850	803,193	28,249	4,391,210	2,105,711	2,252,109	23,113,207	36,439,298	12,637,134
Transfer during the year	431,281	-	1,071,051	-	(1,556,621)	54,289	1,199,177	(1,199,177)	-	-
Disposals and write downs	(62,545)	-	(457,137)	(5,791)	(9,706)	(5,382)	(22,794)	-	(563,355)	(570,903)
Closing costs	11,596,987	15,470,292	9,213,305	678,126	6,347,821	18,799,350	52,134,675	29,786,015	144,026,571	108,150,628
Accumulated Amortization										
Opening accum'd amortization	1,885,405	8,664,502	4,612,951	565,297	-	6,683,750	22,052,561	-	44,464,466	42,462,580
Amortization	227,988	381,331	579,331	39,902	-	536,179	945,537	-	2,710,268	2,507,433
Disposals and write downs	(35,595)	-	(406,637)	(5,791)	-	-	(22,794)	-	(470,817)	(505,547)
Closing accum'd amortization	2,077,798	9,045,833	4,785,645	599,408	-	7,219,929	22,975,304	-	46,703,917	44,464,466
Net Book Value of Tangible Capital Assets	9,519,189	6,424,459	4,427,660	78,718	6,347,821	11,579,421	29,159,371	29,786,015	97,322,654	63,686,162

CITY OF SELKIRK
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2019

SCHEDULE 2

	<u>2019 Actual</u>	<u>2018 Actual</u>
Property taxes:		
Municipal taxes levied (Schedule 12)	\$10,615,632	\$10,190,344
Taxes added	273,239	331,105
	<u>10,888,871</u>	<u>10,521,449</u>
Grants in lieu of taxation:		
Federal government	75,828	74,015
Federal government enterprises	5,646	5,510
Provincial government	536,524	529,030
Provincial government enterprises	661,476	619,285
	<u>1,279,474</u>	<u>1,227,840</u>
User fees		
Sales of service	1,956,735	2,068,130
Sales of goods	7,407	8,054
Rentals	49,489	46,950
	<u>2,013,631</u>	<u>2,123,134</u>
Permits, licences and fines		
Permits	179,199	241,639
Licences	12,568	12,228
Fines	74,254	99,832
	<u>266,021</u>	<u>353,699</u>
Investment income:		
Cash and temporary investments	473,888	464,634
	<u>473,888</u>	<u>464,634</u>
Other revenue:		
Gain (loss) on sale of assets	(70,470)	786,484
Contributed assets	2,075,433	437,852
Miscellaneous:		
Infrastructure fees	105,370	84,629
Penalties and interest	289,732	208,393
Donations - Library	5,781	5,081
Other revenue	181,118	112,310
	<u>2,586,964</u>	<u>1,634,749</u>
Water and sewer (Schedule 4)	<u>4,982,049</u>	<u>4,111,863</u>
Grants - Province of Manitoba		
Municipal operating grants	2,152,464	1,902,911
Conditional grants	8,462,873	2,375,079
	<u>10,615,337</u>	<u>4,277,990</u>
Grants - other		
Federal government - gas tax funding	1,102,493	556,387
Federal government - other	8,401,560	1,821,673
Other local governments	352,638	434,226
	<u>9,856,691</u>	<u>2,812,286</u>
Total revenue	<u><u>42,962,926</u></u>	<u><u>27,527,644</u></u>

CITY OF SELKIRK
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2019

SCHEDULE 3

	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
General government services:		
Legislative	\$ 173,130	\$ 149,921
General administrative	1,332,998	1,129,939
Other (specify):	<u>1,207,649</u>	<u>1,241,017</u>
	<u>2,713,777</u>	<u>2,520,877</u>
Protective services:		
Police	2,749,231	2,606,942
Fire	591,249	548,640
Emergency measures	383,708	442,646
By-law enforcement	192,374	183,469
Other protection	<u>266,213</u>	<u>230,133</u>
	<u>4,182,775</u>	<u>4,011,830</u>
Transportation services:		
Road transport		
Administration and engineering	534,602	514,047
Parking	24,283	25,089
Road and street maintenance	1,863,058	1,679,021
Sidewalk and boulevard maintenance	144,054	114,586
Street lighting	264,649	264,127
Traffic services	24,495	36,264
Public transit	<u>372,239</u>	<u>424,884</u>
	<u>3,227,380</u>	<u>3,058,018</u>
Environmental health services:		
Waste collection and disposal	710,468	704,092
Recycling	289,499	271,263
Other (specify):	<u>18,620</u>	<u>17,609</u>
	<u>1,018,587</u>	<u>992,964</u>
Public health and welfare services:		
Public health	392,615	413,669
Social assistance	<u>117,851</u>	<u>118,001</u>
	<u>510,466</u>	<u>531,670</u>
Regional planning and development		
Planning and zoning	413,511	363,142
Urban area weed control	<u>98,013</u>	<u>102,335</u>
	<u>511,524</u>	<u>465,477</u>
Resource conservation and industrial development		
Regional development	382,052	407,723
Tourism	15,028	16,256
Water resources and conservation	<u>10,000</u>	<u>10,000</u>
	<u>407,080</u>	<u>433,979</u>
Recreation and cultural services:		
Administration	874,660	855,403
Community centres and halls	738,261	703,420
Swimming pools and beaches	527,958	553,582
Skating and curling rinks	193,590	135,432
Parks and playgrounds	344,649	276,788
Other recreational facilities	456,598	433,114
Libraries	532,624	519,685
Other cultural facilities	<u>76,321</u>	<u>44,369</u>
	<u>3,744,661</u>	<u>3,521,793</u>
Water and sewer (Schedule 9)	<u>3,673,570</u>	<u>3,745,419</u>
Total expenses	<u><u>19,989,820</u></u>	<u><u>19,282,027</u></u>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2019

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
REVENUE										
Property taxes	\$10,571,534	\$ 10,110,849	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	1,279,474	1,227,840	-	-	-	-	-	-	-	-
User fees	61,816	82,718	368,233	451,237	154,453	166,797	374,785	375,478	202,016	218,649
Grants - other	1,941,078	1,149,490	-	4,228	14,700	14,098	-	-	5,000	-
Permits, licences and fines	69,785	88,875	-	-	6,360	8,830	-	-	-	-
Investment income	452,902	452,854	8,598	6,221	-	-	-	-	-	-
Gain (loss) on sale of assets	(69,843)	784,976	-	-	-	-	-	-	-	-
Other revenue	1,790,317	367,558	178	-	242	233	-	-	3,124	1,352
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	2,152,464	1,902,911	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	615,557	365,645	17,567	-	-	-	5,762	5,765	56,834	51,921
Total revenue	\$ 18,865,084	\$ 16,533,716	\$ 394,576	\$ 461,686	\$ 175,755	\$ 189,958	\$ 380,547	\$ 381,243	\$ 266,974	\$ 271,922
EXPENSES										
Personnel services	\$ 1,405,225	\$ 1,183,146	\$ 777,393	\$ 768,253	\$ 1,045,812	\$ 990,337	\$ 10,247	\$ 4,209	\$ 182,329	\$ 187,816
Contract services	733,639	789,331	3,092,503	2,937,732	526,462	464,727	711,261	688,822	127,087	174,031
Utilities	68,937	53,900	23,287	26,824	244,374	237,933	6,292	6,011	-	-
Maintenance materials and supplies	68,817	35,338	114,231	97,160	170,239	185,251	267,296	270,692	42,544	35,890
Grants and contributions	168,620	175,961	6,500	1,000	256,504	310,956	-	-	79,334	74,571
Amortization	36,432	42,389	168,765	155,082	983,755	868,233	18,064	17,878	79,043	58,190
Interest on long term debt	145,284	155,333	-	-	-	-	-	-	-	-
Other	86,823	85,479	96	25,779	234	581	5,427	5,352	129	1,172
Total expenses	\$ 2,713,777	\$ 2,520,877	\$ 4,182,775	\$ 4,011,830	\$ 3,227,380	\$ 3,058,018	\$ 1,018,587	\$ 992,964	\$ 510,466	\$ 531,670
Surplus (Deficit)	\$ 16,151,307	\$ 14,012,839	\$ (3,788,199)	\$ (3,550,144)	\$ (3,051,625)	\$ (2,868,060)	\$ (638,040)	\$ (611,721)	\$ (243,492)	\$ (259,748)

* 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, 2019

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 317,337	\$ 410,600	\$ 10,888,871	\$ 10,521,449
Grants in lieu of taxation	-	-	-	-	-	-	-	-	1,279,474	1,227,840
User fees	130,128	141,565	-	-	722,200	686,690	-	-	2,013,631	2,123,134
Grants - other	65,401	62,041	-	-	137,676	129,679	7,692,836	1,452,750	9,856,691	2,812,286
Permits, licences and fines	180,738	248,004	-	-	9,138	7,990	-	-	266,021	353,699
Investment income	9,652	3,543	-	-	2,736	2,016	-	-	473,888	464,634
Gain (loss) on sale of assets	-	1,508	-	-	(627)	-	-	-	(70,470)	786,484
Other revenue	4,000	1,098	-	-	37,903	40,172	821,670	437,852	2,657,434	848,265
Water and sewer	-	-	-	-	-	-	4,982,049	4,111,863	4,982,049	4,111,863
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	2,152,464	1,902,911
Prov of MB - Conditional Grants	-	-	-	-	279,847	278,454	7,487,306	1,673,294	8,462,873	2,375,079
Total revenue	\$ 389,919	\$ 457,759	\$ -	\$ -	\$ 1,188,873	\$ 1,145,001	\$ 21,301,198	\$ 8,086,359	\$ 42,962,926	\$ 27,527,644
EXPENSES										
Personnel services	\$ 302,294	\$ 271,170	\$ 224,278	\$ 221,188	\$ 1,912,074	\$ 1,788,351	\$ 1,197,422	\$ 1,171,163	\$ 7,057,074	\$ 6,585,633
Contract services	84,199	69,307	153,709	184,402	624,486	571,124	619,034	779,622	6,672,380	6,659,098
Utilities	3,967	3,736	5,198	4,300	321,092	330,768	288,233	257,375	961,380	920,847
Maintenance materials and supplies	28,984	26,246	12,699	12,733	316,727	276,123	495,735	491,413	1,517,272	1,430,846
Grants and contributions	69,840	69,049	10,000	10,000	99,250	107,697	-	-	690,048	749,234
Amortization	9,496	17,927	1,196	1,356	467,980	443,331	945,537	903,047	2,710,268	2,507,433
Interest on long term debt	12,294	7,919	-	-	-	-	121,625	135,309	279,203	298,561
Other	450	123	-	-	3,052	4,399	5,984	7,490	102,195	130,375
Total expenses	\$ 511,524	\$ 465,477	\$ 407,080	\$ 433,979	\$ 3,744,661	\$ 3,521,793	\$ 3,673,570	\$ 3,745,419	\$ 19,989,820	\$ 19,282,027
Surplus (Deficit)	\$ (121,605)	\$ (7,718)	\$ (407,080)	\$ (433,979)	\$ (2,555,788)	\$ (2,376,792)	\$ 17,627,628	\$ 4,340,940	\$ 22,973,106	\$ 8,245,617

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2019

	Core Government		Controlled Entities		Government Partnerships		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
REVENUE								
Property taxes	\$ 10,888,871	\$ 10,521,449	\$ -	\$ -	\$ -	\$ -	\$ 10,888,871	\$ 10,521,449
Grants in lieu of taxation	1,279,474	1,227,840	-	-	-	-	1,279,474	1,227,840
User fees	1,174,636	1,208,675	326,657	341,813	512,338	572,646	2,013,631	2,123,134
Grants - other	9,633,914	2,602,240	19,700	14,098	203,077	195,948	9,856,691	2,812,286
Permits, licences and fines	76,145	97,705	-	-	189,876	255,994	266,021	353,699
Investment income	452,902	452,854	-	-	20,986	11,780	473,888	464,634
Gain (loss) on sale of assets	(69,843)	784,976	-	-	(627)	1,508	(70,470)	786,484
Other revenue	2,638,653	833,735	3,366	1,585	15,415	12,945	2,657,434	848,265
Water and sewer	4,982,049	4,111,863	-	-	-	-	4,982,049	4,111,863
Prov of MB - Unconditional Grants	2,152,464	1,902,911	-	-	-	-	2,152,464	1,902,911
Prov of MB - Conditional Grants	8,229,443	2,146,503	56,834	51,921	176,596	176,655	8,462,873	2,375,079
Total revenue	\$ 41,438,708	\$ 25,890,751	\$ 406,557	\$ 409,417	\$ 1,117,661	\$ 1,227,476	\$ 42,962,926	\$ 27,527,644
EXPENSES								
Personnel services	\$ 6,064,522	\$ 5,596,192	\$ 259,109	\$ 265,077	\$ 733,443	\$ 724,364	\$ 7,057,074	\$ 6,585,633
Contract services	6,333,948	6,249,521	33,547	92,324	304,885	317,253	6,672,380	6,659,098
Utilities	933,795	894,417	-	-	27,585	26,430	961,380	920,847
Maintenance materials and supplies	1,346,838	1,268,326	58,824	52,132	111,610	110,388	1,517,272	1,430,846
Grants and contributions	690,048	749,234	-	-	-	-	690,048	749,234
Amortization	2,684,848	2,474,706	127	168	25,293	32,559	2,710,268	2,507,433
Interest on long term debt	266,909	290,642	-	-	12,294	7,919	279,203	298,561
Other	99,328	100,071	363	1,753	2,504	28,551	102,195	130,375
Total expenses	\$ 18,420,236	\$ 17,623,109	\$ 351,970	\$ 411,454	\$ 1,217,614	\$ 1,247,464	\$ 19,989,820	\$ 19,282,027
Surplus (Deficit)	\$ 23,018,472	\$ 8,267,642	\$ 54,587	\$ (2,037)	\$ (99,953)	\$ (19,988)	\$ 22,973,106	\$ 8,245,617

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2019

	2019					
	General	Equipment	Off Street Parking	Parks and Recreation	Fire Apparatus	Building Maintenance
REVENUE						
Investment income	\$76,496	\$14,301	\$7,544	\$11,108	\$13,922	\$20,677
Other income	-	-	-	-	-	-
Total revenue	<u>76,496</u>	<u>14,301</u>	<u>7,544</u>	<u>11,108</u>	<u>13,922</u>	<u>20,677</u>
EXPENSES						
Investment charges	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	76,496	14,301	7,544	11,108	13,922	20,677
TRANSFERS						
Transfers from general operating fund	100,000	220,505	24,000	145,806	95,000	125,000
Transfers to general operating fund	-	-	-	(26,622)	-	(12,666)
Transfers from utility operating fund	-	-	-	-	-	-
Transfers to utility operating	-	-	-	-	-	-
Acquisition of tangible capital assets	-	(203,161)	-	(58,522)	(475,534)	(190,017)
CHANGE IN RESERVE FUND BALANCES	176,496	31,645	31,544	71,770	(366,612)	(57,006)
FUND SURPLUS, BEGINNING OF YEAR	2,798,312	517,955	260,789	353,428	703,257	766,945
FUND SURPLUS, END OF YEAR	<u>\$2,974,808</u>	<u>\$549,600</u>	<u>\$292,333</u>	<u>\$425,198</u>	<u>\$336,645</u>	<u>\$709,939</u>

CITY OF SELKIRK
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2019

SCHEDULE 6

	2019					
	Capital Improvements	Flood Protection	Special Events	Technology	Land Acquisition	Gas Tax
REVENUE						
Investment income	\$22,746	\$849	\$1,253	\$2,958	\$42,347	\$3,576
Other income	-	-	-	-	-	-
Total revenue	22,746	849	1,253	2,958	42,347	3,576
EXPENSES						
Investment charges	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-
NET REVENUES	22,746	849	1,253	2,958	42,347	3,576
TRANSFERS						
Transfers from general operating fund	1,186,363	-	-	30,000	10,000	1,102,493
Transfers to general operating fund	-	-	-	(8,998)	-	-
Transfers from utility operating fund	-	-	-	-	-	-
Transfers to utility operating	-	-	-	-	-	-
Acquisition of tangible capital assets	(1,091,768)	-	-	(29,833)	(3,131,188)	(920,257)
CHANGE IN RESERVE FUND BALANCES	117,341	849	1,253	(5,873)	(3,078,841)	185,812
FUND SURPLUS, BEGINNING OF YEAR	785,980	31,044	45,835	105,191	3,078,841	22,521
FUND SURPLUS, END OF YEAR	\$903,321	\$31,893	\$47,088	\$99,318	\$ -	\$208,333

CITY OF SELKIRK
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 For the Year Ended December 31, 2019

SCHEDULE 6

	2019					
	MRI	Fire Hall Replacement	Transit	Paratransit	Special Projects	Parks and Recreation Facilities Development
REVENUE						
Investment income	\$ -	\$ -	\$10,890	\$679	\$5,624	\$2,424
Other income	-	-	-	-	-	-
Total revenue	-	-	10,890	679	5,624	2,424
EXPENSES						
Investment charges	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-
NET REVENUES	-	-	10,890	679	5,624	2,424
TRANSFERS						
Transfers from general operating fund	-	253,941	75,000	49,000	329,588	260,391
Transfers to general operating fund	-	-	-	-	(118,405)	-
Transfers from utility operating fund	-	-	-	-	-	-
Transfers to utility operating	-	-	-	-	-	-
Acquisition of tangible capital assets	-	(253,941)	(107,901)	(110,276)	(57,297)	-
CHANGE IN RESERVE FUND BALANCES	-	-	(22,011)	(60,597)	159,510	262,815
FUND SURPLUS, BEGINNING OF YEAR	-	-	414,028	61,007	129,948	25,420
FUND SURPLUS, END OF YEAR	\$ -	\$ -	\$392,017	\$410	\$289,458	\$288,235

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2019

	2019			2019	2018
	Economic Incentive	Utility	Nutrient	Total	Total
REVENUE					
Investment income	\$2,541	\$130,392	\$6,526	\$376,853	\$340,395
Other income	-	-	-	-	-
Total revenue	2,541	130,392	6,526	376,853	340,395
EXPENSES					
Investment charges	-	-	-	-	-
Other expenses	-	-	-	-	-
Total expenses	-	-	-	-	-
NET REVENUES	2,541	130,392	6,526	376,853	340,395
TRANSFERS					
Transfers from general operating fund	35,000	-	-	4,042,087	4,158,524
Transfers to general operating fund	-	-	-	(166,691)	(184,676)
Transfers from utility operating fund	-	1,666,613	653,672	2,320,285	1,409,389
Transfers to utility operating	-	-	-	-	(60,000)
Acquisition of tangible capital assets	-	(1,850,491)	(660,198)	(9,140,384)	(5,193,814)
CHANGE IN RESERVE FUND BALANCES	37,541	(53,486)	-	(2,567,850)	469,818
FUND SURPLUS, BEGINNING OF YEAR	70,826	5,117,671	-	15,288,998	14,819,180
FUND SURPLUS, END OF YEAR	\$108,367	\$5,064,185	\$ -	\$12,721,148	\$15,288,998

CITY OF SELKIRK
SCHEDULE OF L.U.D. OPERATIONS
For the Year Ended December 31, 2019

SCHEDULE 7

	<u>2019 Budget</u>	<u>2019 Actual</u>	<u>2018 Actual</u>
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue (specify)	-	-	-
Total revenue	<u>-</u>	<u>-</u>	<u>-</u>
Expenses			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other (specify):	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other (specify):	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other (specify):	-	-	-
Change in L.U.D. balances	<u>-</u>	-	-
Unexpended balance, beginning of year		<u>-</u>	<u>-</u>
Unexpended balance, end of year		<u>-</u>	<u>-</u>

CITY OF SELKIRK
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
For the Year Ended December 31, 2019

SCHEDULE 8

	<u>2019</u>	<u>2018</u>
FINANCIAL ASSETS		
Amounts receivable	\$ 1,142,589	\$ 943,014
Due from other funds	-	2,838,680
	<u>\$ 1,142,589</u>	<u>\$ 3,781,694</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 377,835	\$ 372,909
Long-term debt (Note 10)	2,765,417	2,961,129
Due to other funds	3,806,536	-
	<u>6,949,788</u>	<u>3,334,038</u>
NET FINANCIAL ASSETS	<u>\$ (5,807,199)</u>	<u>\$ 447,656</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	<u>\$ 57,580,634</u>	<u>\$ 33,526,259</u>
FUND SURPLUS	<u><u>\$ 51,773,435</u></u>	<u><u>\$ 33,973,915</u></u>

CITY OF SELKIRK
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2019

SCHEDULE 9

	<u>Budget</u>	<u>2019</u>	<u>2018</u>
REVENUE			
Water			
Water fees	<u>\$2,245,928</u>	<u>\$2,121,476</u>	<u>\$1,918,333</u>
sub-total- water	<u>2,245,928</u>	<u>2,121,476</u>	<u>1,918,333</u>
Sewer			
Sewer fees	<u>2,503,995</u>	<u>2,354,793</u>	<u>1,728,099</u>
Lagoon tipping fees	<u>15,000</u>	<u>13,061</u>	<u>11,404</u>
sub-total- sewer	<u>2,518,995</u>	<u>2,367,854</u>	<u>1,739,503</u>
Property taxes	<u>317,337</u>	<u>317,337</u>	<u>410,600</u>
Government transfers			
Capital	<u>22,103,037</u>	<u>15,180,142</u>	<u>3,126,044</u>
sub-total- government transfers	<u>22,103,037</u>	<u>15,180,142</u>	<u>3,126,044</u>
Other			
Hydrant rentals	<u>43,560</u>	<u>43,560</u>	<u>43,340</u>
Penalties	<u>23,500</u>	<u>29,536</u>	<u>25,231</u>
Contributed assets	<u>-</u>	<u>821,670</u>	<u>437,852</u>
Administration fees	<u>330,734</u>	<u>332,970</u>	<u>287,816</u>
Infrastructure fees	<u>49,000</u>	<u>38,725</u>	<u>73,081</u>
Other income	<u>16,000</u>	<u>47,928</u>	<u>24,640</u>
sub-total- other	<u>462,794</u>	<u>1,314,389</u>	<u>891,960</u>
Total revenue	<u>27,648,091</u>	<u>21,301,198</u>	<u>8,086,440</u>

CITY OF SELKIRK
SCHEDULE OF UTILITY OPERATIONS (cont'd)
For the Year Ended December 31, 2019

SCHEDULE 9

	<u>Budget</u>	<u>2019</u>	<u>2018</u>
EXPENSES			
General			
Administration	671,492	623,607	577,024
Training costs	17,040	9,936	14,111
Billing and collection	58,220	53,921	55,100
sub-total- general	<u>746,752</u>	<u>687,464</u>	<u>646,235</u>
Water General			
Purification and treatment	730,808	788,439	721,526
Water purchases	40,000	59,012	48,049
Transmission and distribution	277,572	402,706	438,901
Hydrant maintenance	52,966	16,337	72,255
Transportation services	84,000	70,027	83,148
Connection costs	114,304	132,788	98,224
Other supply costs	100,000	6,815	7,142
sub-total- water general	<u>1,399,650</u>	<u>1,476,124</u>	<u>1,469,245</u>
Water Amortization & Interest			
Amortization	537,940	537,940	516,222
Interest on long term debt	115,098	115,098	127,446
sub-total- water amortization & interest	<u>653,038</u>	<u>653,038</u>	<u>643,668</u>
Sewer General			
Collection system costs	182,788	63,034	172,037
Treatment and disposal cost	327,036	305,749	309,593
Lift Station costs	79,911	49,596	81,608
Transportation services	35,500	23,156	21,691
Connection costs	40,966	937	6,375
Water purchases	-	349	279
Other sewage & disposal costs	100,000	-	-
sub-total- sewer general	<u>766,201</u>	<u>442,821</u>	<u>591,583</u>
Sewage Amortization & Interest			
Amortization	407,596	407,596	386,825
Interest on long term debt	6,527	6,527	7,863
sub-total- sewer amortization & interest	<u>414,123</u>	<u>414,123</u>	<u>394,688</u>
Total expenses	<u>3,979,764</u>	<u>3,673,570</u>	<u>3,745,419</u>
NET OPERATING SURPLUS	23,668,327	17,627,628	4,341,021
TRANSFERS			
Transfers from (to) operating fund	64,463	(18,512)	14,193
Transfers from (to) reserve funds	(655,291)	190,404	774,873
CHANGE IN UTILITY FUND BALANCE	<u>23,077,499</u>	<u>17,799,520</u>	<u>5,130,087</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>33,973,915</u>	<u>28,843,828</u>
FUND SURPLUS, END OF YEAR		<u>51,773,435</u>	<u>33,973,915</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2019

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 10,748,497	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,748,497
Grants in lieu of taxation	1,277,541	-	-	-	-	-	-	1,277,541
User fees	1,431,161	-	-	-	-	-	838,994	2,270,155
Permits, licences and fines	97,540	-	-	-	-	-	189,876	287,416
Investment income	82,924	-	-	-	-	-	20,986	103,910
Other revenue	469,000	-	-	-	-	-	18,155	487,155
Water and sewer	-	5,227,717	-	-	-	-	-	5,227,717
Grants - Province of Manitoba	3,334,247	11,451,518	-	-	-	-	233,430	15,019,195
Grants - other	1,719,170	10,651,519	-	-	-	-	222,777	12,593,466
Transfers from accumulated surplus	-	-	-	-	-	-	-	-
Transfers from general	-	381,800	-	-	(381,800)	-	-	-
Transfers from reserves	3,283,895	1,724,286	-	-	(5,008,181)	-	-	-
Total revenue	\$ 22,443,975	\$ 29,436,840	\$ -	\$ -	\$ (5,389,981)	\$ -	\$ 1,524,218	\$ 48,015,052
EXPENSES								
General government services	\$ 2,698,221	\$ -	\$ 36,432	\$ 145,284	\$ 60,214	\$ -	\$ -	\$ 2,940,151
Protective services	3,708,512	-	164,350	-	-	-	318,606	4,191,468
Transportation services	2,381,886	-	983,755	-	-	-	115,236	3,480,877
Environmental health services	1,052,309	-	18,064	-	-	-	-	1,070,373
Public health and welfare services	211,651	-	78,916	-	-	-	236,734	527,301
Regional planning and development	90,370	-	-	-	-	-	441,684	532,054
Resource cons and industrial dev	564,964	-	1,196	-	-	-	-	566,160
Recreation and cultural services	3,351,804	-	456,598	-	-	-	457,324	4,265,726
Water and sewer services	-	2,912,603	945,537	121,625	-	-	-	3,979,765
Fiscal services:								
Transfer to capital	4,916,219	23,827,323	-	-	(28,743,542)	-	-	-
Debt charges	380,758	317,337	-	(698,095)	-	-	-	-
Tax discounts	-	-	-	-	-	-	-	-
Short term interest	-	-	-	-	-	-	-	-
Transfer to utility	381,800	-	-	-	(381,800)	-	-	-
Transfer to reserves	2,645,267	2,379,577	-	-	(5,024,844)	-	-	-
Transfer to accumulated surplus	-	-	-	-	-	-	-	-
Allowance for tax assets	60,214	-	-	-	(60,214)	-	-	-
Total expenses	\$ 22,443,975	\$ 29,436,840	\$ 2,684,848	\$ (431,186)	\$ (34,150,186)	\$ -	\$ 1,569,584	\$ 21,553,875
Surplus (Deficit)	\$ -	\$ -	\$ (2,684,848)	\$ 431,186	\$ 28,760,205	\$ -	\$ (45,366)	\$ 26,461,177

**CITY OF SELKIRK
ANALYSIS OF TAXES ON ROLL
For the Year Ended December 31, 2019**

SCHEDULE 11

	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 731,552	\$ 596,866
Add:		
Tax levy (Schedule 12)	18,671,139	18,099,732
Taxes added	273,239	331,105
Penalties or interest	292,074	195,800
Other accounts added	59,394	283,907
Sub-total	19,295,846	18,910,544
Deduct:		
Cash collections - current	15,516,355	16,052,666
Cash collections - arrears	1,695,812	907,212
Writeoffs	53,813	94,696
E.P.T.C. - cash advance	1,735,444	1,721,284
Sub-total	19,001,424	18,775,858
Balance, end of year	\$ 1,025,974	\$ 731,552

**CITY OF SELKIRK
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2019**

SCHEDULE 12

	2019			2018
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
Frontage	\$ -	\$ -	\$ 55,411	\$ 55,411
L.I.D. - General Municipal	593,287,400	0.941	558,283	637,480
General Municipal	478,265,530	0.057	27,260	27,312
sub-total- Debt charges			<u>640,954</u>	<u>720,203</u>
Reserves: Various	478,265,530	2.893	1,383,622	1,140,512
General municipal	478,265,530	17.308	8,277,819	8,017,959
Business tax (Rate 2.22%)	12,771,900	-	283,536	282,120
Business tax fee		-	29,701	29,550
sub-total - Business tax			<u>313,237</u>	<u>311,670</u>
Total municipal taxes (Schedule 2)			<u>10,615,632</u>	<u>10,190,344</u>
Education support levy	124,483,570	9.759	1,214,835	1,211,228
Special levies:				
Lord Serlkirk School Division #11	458,336,410	14.925	6,840,672	6,698,160
Total education taxes			<u>8,055,507</u>	<u>7,909,388</u>
Total tax levy (Schedule 11)			<u>\$ 18,671,139</u>	<u>\$ 18,099,732</u>

CITY OF SELKIRK
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2019

SCHEDULE 13

	<u>2019 Actual</u>	<u>2018 Actual</u>
General government services:		
Legislative	\$ 173,130	\$ 149,921
General administrative	1,332,998	1,129,939
Other (specify)	1,207,649	1,241,017
	<u>2,713,777</u>	<u>2,520,877</u>
Protective services:		
Police	2,749,231	2,606,942
Fire	591,249	548,640
Emergency measures	65,102	44,985
By-law enforcement	192,374	183,469
Other protection	266,213	230,133
	<u>3,864,169</u>	<u>3,614,169</u>
Transportation services:		
Road transport		
Administration and engineering	534,602	514,047
Parking	24,283	25,089
Road and street maintenance	1,863,058	1,679,021
Sidewalk and boulevard maintenance	144,054	114,586
Street lighting	264,649	264,127
Traffic services	24,495	36,264
Public transit	257,003	310,956
	<u>3,112,144</u>	<u>2,944,090</u>
Environmental health services:		
Waste collection and disposal	710,468	704,092
Recycling	289,499	271,263
Other	18,620	17,609
	<u>1,018,587</u>	<u>992,964</u>
Public health and welfare services:		
Public health	155,881	116,143
Social assistance	117,851	118,001
	<u>273,732</u>	<u>234,144</u>
Regional planning and development		
Planning and zoning	43,039	42,774
Urban area weed control	26,801	26,274
	<u>69,840</u>	<u>69,048</u>
Resource conservation and industrial development		
Regional development	382,052	407,723
Tourism	15,028	16,256
Water resources and conservation	10,000	10,000
	<u>407,080</u>	<u>433,979</u>
Sub-totals forward	<u>11,459,329</u>	<u>10,809,271</u>

CITY OF SELKIRK
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2019

SCHEDULE 13

	<u>2019 Actual</u>	<u>2018 Actual</u>
Sub-totals forward	<u>11,459,329</u>	<u>10,809,271</u>
Recreation and cultural services:		
Administration	874,660	855,403
Community centers and halls	738,261	703,420
Swimming pools and beaches	527,958	553,582
Skating and curling rinks	193,590	135,432
Parks and playgrounds	344,649	276,788
Other recreational facilities	456,598	433,114
Libraries	75,300	66,311
Other cultural facilities	76,321	44,369
	<u>3,287,337</u>	<u>3,068,419</u>
Total expenses	<u><u>14,746,666</u></u>	<u><u>13,877,690</u></u>

CITY OF SELKIRK

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)

For the Year Ended December 31, 2019

	General	2019 Utility	Total	2018 Total
MUNICIPAL NET SURPLUS UNDER THE MUNICIPAL ACT	\$ -	\$ -	\$ -	\$ -
Adjustments for reporting under public sector accounting standards				
Capital:				
Increase expense - net book value of assets disposed of	(91,911)	-	(91,911)	(64,593)
Increase expense - amortization of tangible capital assets	(1,739,311)	(945,537)	(2,684,848)	(2,474,705)
Eliminate expense - acquisitions of tangible capital assets	11,397,868	24,999,912	36,397,780	12,611,998
Increase in revenue - capital asset purchases funded by borrowings	(2,083,586)	(6,450,567)	(8,534,153)	(2,862,177)
Decrease expense - principal portion of debenture debt	235,474	195,712	431,186	500,717
Increase expense - issuance of debenture debt	-	-	-	-
Reserve:				
Increase revenue - reserve funds interest	376,853	-	376,853	340,395
Eliminate expense - transfers to reserves	4,042,087	2,320,285	6,362,372	5,567,913
Eliminate revenue - transfers from reserves	(6,796,386)	(2,510,689)	(9,307,075)	(5,438,491)
Other:				
Eliminate internal transfers - deficit repayment utility to general	-	-	-	-
Eliminate internal transfer - profit of machine time	(18,512)	18,512	-	-
Eliminate internal transfer - infrastructure fees from general to utility	-	-	-	-
	5,322,576	17,627,628	22,950,204	8,181,057
Increase revenue - Net surplus of consolidated entities	22,902	-	22,902	64,560
NET SURPLUS PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 5,345,478	\$ 17,627,628	\$ 22,973,106	\$ 8,245,617