

# **TOWN OF ALTONA**

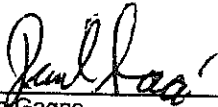
**Consolidated Financial Statements  
For the Year Ended December 31, 2019**

## STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Altona 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 Canadian Institute of Chartered Accountants.

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.

Exchange Chartered Professional Accountants LLP as the Town'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 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 Town in accordance with Canadian public sector accounting standards.



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Dan Gagne  
Chief Administrative Officer



## INDEPENDENT AUDITORS' REPORT

To the Mayor and members of Council of the  
**TOWN OF ALTONA**

### *Opinion*

We have audited the accompanying consolidated financial statements of the Town of Altona, which comprise the consolidated statement of financial position as at December 31, 2019 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2019, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Altona as at December 31, 2019, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2019 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the 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 financial statements that are free from material misstatements, whether due to fraud or error.

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

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

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 Town'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 Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*Exchange*

Chartered Professional Accountants LLP  
Winnipeg, Manitoba  
July 16, 2020

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# **TOWN OF ALTONA**

## **Consolidated Financial Statements**

### **For the Year Ended December 31, 2019**

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**TOWN OF ALTONA**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2019**

	<u>2019</u>	<u>2018</u> <i>(Note 20)</i>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 6,755,114	\$ 5,843,242
Amounts receivable (Note 4)	1,272,047	1,207,611
Portfolio investments (Note 5)	33	33
Loans and advances (Note 6)	469,173	935,000
Other inventories for sale (Note 7)	1,939	1,866
Other assets	<u>547</u>	<u>527</u>
	<u>\$ 8,498,853</u>	<u>\$ 7,988,279</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 704,495	\$ 485,835
Landfill closure and post closure liabilities (Note 9)	146,010	133,203
Long-term debt (Note 10)	6,529,042	6,993,859
Derivative contract (Note 10)	<u>17,346</u>	<u>15,771</u>
	<u>7,396,893</u>	<u>7,628,668</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>\$ 1,101,959</u>	<u>\$ 359,611</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1) (Note 20)	\$ 36,381,154	\$ 36,961,462
Inventories (Note 7)	645,183	284,691
Prepaid expenses	<u>64,580</u>	<u>61,401</u>
	<u>37,090,917</u>	<u>37,307,554</u>
<b>ACCUMULATED SURPLUS (Note 15)</b>	<u>\$ 38,192,876</u>	<u>\$ 37,667,165</u>

**COMMITMENTS (NOTE 11)**

Approved on behalf of Council:

\_\_\_\_\_  
 Mayor

\_\_\_\_\_  
 Councillor

**TOWN OF ALTONA**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**For the Year Ended December 31, 2019**

	<u>2019</u> <u>Budget</u> <u>(Note 14)</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u> <u>(Note 20)</u>
<b>REVENUE</b>			
Property taxes	\$ 4,864,792	\$ 4,932,534	\$ 4,845,690
Grants in lieu of taxation	65,563	65,562	69,327
User fees	1,172,261	1,276,716	953,400
Permits, licences and fines	21,500	53,436	62,236
Investment income	100,000	197,910	181,382
Other revenue	30,000	198,848	522,266
Water and sewer	3,541,300	3,082,138	3,617,484
Grants - Province of Manitoba	752,700	1,079,700	1,090,249
Grants - other	301,676	578,090	405,479
Total revenue (Schedules 2, 4 and 5)	<u>10,849,792</u>	<u>11,464,934</u>	<u>11,747,513</u>
<b>EXPENSES</b>			
General government services	1,030,976	1,060,405	1,137,217
Protective services	1,761,553	1,733,287	1,668,050
Transportation services	1,585,470	1,523,412	1,425,577
Environmental health services	874,114	856,372	671,116
Public health and welfare services	77,350	75,732	94,080
Regional planning and development	40,000	77,027	73,440
Resource conservation and industrial development	468,155	582,222	468,046
Recreation and cultural services	2,021,364	2,113,355	2,014,904
Water and sewer services	2,792,509	2,917,411	2,626,676
Total expenses (Schedules 3, 4 and 5)	<u>10,651,491</u>	<u>10,939,223</u>	<u>10,179,106</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 198,301</u>	<u>525,711</u>	<u>1,568,407</u>
<b>ACCUMULATED SURPLUS, AS PREVIOUSLY STATED</b>		38,941,847	37,000,396
<b>CORRECTION OF AN ERROR (Note 20)</b>		<u>(1,274,682)</u>	<u>(901,638)</u>
<b>ACCUMULATED SURPLUS, AS RESTATED</b>		<u>37,667,165</u>	<u>36,098,758</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 38,192,876</u>	<u>\$ 37,667,165</u>

**TOWN OF ALTONA**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended December 31, 2019**

	<u>2019 Budget (Note 14)</u>	<u>2019 Actual</u>	<u>2018 Actual (Note 20)</u>
<b>ANNUAL SURPLUS</b>	<b>\$ 198,301</b>	<b>\$ 525,711</b>	<b>\$ 1,568,407</b>
Acquisition of tangible capital assets	(3,374,800)	(1,527,648)	(2,995,504)
Amortization of tangible capital assets	1,963,951	2,056,276	1,828,560
Loss (Gain) on sale of tangible capital assets	-	19,720	21,524
Proceeds on sale of tangible capital assets	-	31,960	188,797
Decrease (increase) in inventories	-	(360,492)	(40,686)
Decrease (increase) in prepaid expense	-	(3,179)	(15,755)
	<u>(1,410,849)</u>	<u>216,637</u>	<u>(1,013,064)</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b><u>\$ (1,212,548)</u></b>	<b>742,348</b>	<b>555,343</b>
<b>NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR</b>		<u>359,611</u>	<u>(195,732)</u>
<b>NET FINANCIAL ASSETS (DEBT), END OF YEAR</b>		<u><b>\$ 1,101,959</b></u>	<u><b>\$ 359,611</b></u>

**TOWN OF ALTONA**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2019**

	<u>2019</u>	<u>2018</u> <i>(Note 20)</i>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	<u>\$ 525,711</u>	<u>\$ 1,568,407</u>
Changes in non-cash items:		
Amounts receivable	(64,436)	1,060,750
Other assets	(20)	(527)
Inventories	(360,565)	(40,486)
Prepays	(3,179)	(15,755)
Accounts payable and accrued liabilities	218,660	(38,077)
Landfill closure and post closure liabilities	12,808	12,013
Loss (Gain) on sale of tangible capital asset	19,720	21,524
Loss (Gain) on sale of real estate held for sale	-	-
Amortization	<u>2,056,276</u>	<u>1,828,560</u>
Cash provided by operating transactions	<u>2,404,974</u>	<u>4,396,409</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets	31,960	188,797
Cash used to acquire tangible capital assets	<u>(1,527,648)</u>	<u>(2,995,504)</u>
Cash applied to capital transactions	<u>(1,495,688)</u>	<u>(2,806,707)</u>
<b>INVESTING TRANSACTIONS</b>		
Sale (purchase) of real estate properties	-	334,279
Purchase of assets for lease	-	-
Loans and advances repaid	-	-
Loans and advances issued	465,827	(935,000)
Proceeds on redemption (purchase) of portfolio investments	-	-
Repayments under financing agreements	<u>-</u>	<u>-</u>
Cash applied to investing transactions	<u>465,827</u>	<u>(600,721)</u>
<b>FINANCING TRANSACTIONS</b>		
Proceeds of long-term debt	-	2,955,205
Debt repayment	<u>(463,242)</u>	<u>(1,359,811)</u>
Cash provided by (applied to) financing transactions	<u>(463,242)</u>	<u>1,595,394</u>
<b>INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS</b>	<b>911,872</b>	<b>2,584,375</b>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u><b>5,843,242</b></u>	<u><b>3,258,867</b></u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u><u><b>\$ 6,755,114</b></u></u>	<u><u><b>\$ 5,843,242</b></u></u>



**TOWN OF ALTONA**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2019**

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**1. Status of the Town of Altona**

The incorporated Town of Altona ("the Town") is a municipal government that was created on October 24, 1956 pursuant to the Manitoba Municipal Act. It was first incorporated as a Village on December 31, 1945. The Town provides or funds municipal services such as police, fire, public works, urban planning, parks and recreation, library and other general government operations. The Town owns one utility, has several designated special purpose reserves and provides funding support for other financial entities involved in public health, economic development and recreation.

**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 Professional 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 Town. 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 Town. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Town. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

*Altona Community Development Corporation Inc.*

The Town 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 Town'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:

*Altona & District Health Care Centre Inc. (47.40%) (2018 - 47.40%)*  
*Pembina Valley Water Cooperative Inc. (5.56%) (2018 - 5.56%)*  
*South Central Regional Library (12.94%) (2018 - 12.94%)*  
*Rhineland, Plum Coulee, Gretna, Altona Planning District (41.50%) (2018 - 41.50%)*  
*Supporting Entrepreneurs through Economic Development (50%) (2018 - 50%)*

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

Trust funds and their related operations administered by the Town are not consolidated in these financial statements. There were no trust funds administered by the Town as of December 31, 2019.

**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 includes cash and short-term investments with maturities of three months or less from the date of acquisition.

**d) Investments**

Portfolio investments are accounted for at cost.

**e) Real Estate Properties Held for Sale**

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

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

**f) Landfill Closure and Post Closure Liabilities**

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

**g) Non-Financial Assets**

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

**General Tangible Capital Assets**

Land	Indefinite
Land Improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	4 years

**Infrastructure Assets**

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

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

**i) Assets for lease**

The Town recognizes income from financing agreements equal to the interest that it pays on the mortgage assumed when the assets for lease were constructed.

**j) Inventories**

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

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

**k) Revenue Recognition**

Revenues are recognized as they are earned and measurable.

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

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

**l) Measurement Uncertainty**

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

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

**3. Cash and Temporary Investments**

Cash and temporary investments are comprised of the following:

	<u>2019</u>	<u>2018</u>
Cash	<u>\$ 6,755,114</u>	<u>\$ 5,843,242</u>

The Town has designated \$5,083,813 (2018 - \$4,182,052) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Town has arranged a \$1,500,000 line of credit with their financial institution to address any potential shortfall in cash resources as compared to reserves for debt principal repayment and tangible capital acquisitions. The line of credit bears interest at 2.70%, and the full amount of the \$1,500,000 was available for use as at December 31, 2019. (2018 - \$1,500,000)

**4. Amounts Receivable**

Amounts receivable are valued at their net realizable value.

	<u>2019</u>	<u>2018</u>
Taxes on roll (Schedule 11)	\$ 282,962	\$ 210,092
Government grants	38,377	134,845
Utility customers	587,593	448,006
Organizations and individuals	334,772	341,137
Other governments	30,115	87,826
	<u>1,273,819</u>	<u>1,221,906</u>
Less allowance for doubtful accounts	<u>(1,772)</u>	<u>(14,295)</u>
	<u>\$ 1,272,047</u>	<u>\$ 1,207,611</u>

**5. Portfolio Investments**

	<u>2019</u>	<u>2018</u>
Access Credit Union surplus shares	<u>\$ 33</u>	<u>\$ 33</u>

**6. Loans and advances**

Altona Community Development Corporation Inc. (ACDC), a controlled organization of the Town, has issued a loan to a local company with bearing interest at 4.40% with monthly blended payments of \$3,065. The loan matures on May 31, 2028.

**7. Inventories**

**Inventories for sale:**

	<u>2019</u>	<u>2018</u>
Food and beverages	<u>\$ 1,939</u>	<u>\$ 1,866</u>

**Inventories for use:**

	<u>2019</u>	<u>2018</u>
Utility chemicals and other materials	\$ 109,520	\$ 114,533
Fuel	3,419	1,496
Public works materials	25,063	19,032
Sand	<u>8,270</u>	<u>12,264</u>
	<u>\$ 146,272</u>	<u>\$ 147,325</u>

**Consolidated Entities:**

Assets held for resale by the Altona Community Development Corporation, not expected to be sold within one year	\$ 6,406	\$ 7,241
Assets held for resale by the Altona Community Development Corporation, not expected to be sold within one year	362,405	-
Land held for resale by the Altona Community Development Corporation, not expected to be sold within one year	<u>130,100</u>	<u>130,125</u>
	<u>\$ 498,911</u>	<u>\$ 137,366</u>
	<u>\$ 645,183</u>	<u>\$ 284,691</u>

**8. Accounts Payable and Accrued Liabilities**

	<u>2019</u>	<u>2018</u>
Accounts payable	\$ 296,219	\$ 142,209
Accrued expenses	163,256	167,342
Accrued interest payable	-	-
Government remittances payable	58,524	78,525
Refundable deposits	3,950	4,200
School levies	50,149	34,813
Other governments	<u>132,397</u>	<u>58,746</u>
	<u>\$ 704,495</u>	<u>\$ 485,835</u>

**9. Landfill Closure and Post Closure Liabilities**

**a) Operating Landfill Site**

The Town administers a Class 2 landfill site and has a cost-sharing agreement in place with the Rural Municipality of Rhineland. 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>2019</u>	<u>2018</u>
Estimated closure and post closure costs	<u>\$ 2,308,640</u>	<u>\$ 2,308,640</u>
Discount rate	<u>5.25%</u>	<u>5.25%</u>
<b>Discounted costs</b>	<u><b>\$ 297,980</b></u>	<u><b>\$ 283,410</b></u>
Expected year capacity will be reached	<b>2059</b>	<b>2059</b>
Capacity in volume:		
Used to date (%)	<b>49</b>	<b>47</b>
Remaining (%)	<b>51</b>	<b>53</b>
Total (%)	<b>100</b>	<b>100</b>
Percent utilized	<u><b>49%</b></u>	<u><b>47%</b></u>
<b>Liability based on percentage</b>	<u><b>\$ 146,010</b></u>	<u><b>\$ 133,203</b></u>

**b) Closed Landfill Site**

Legislation requires the Town to monitor its closed landfill sites. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports. Costs for post closure care for the closed landfill sites cannot be reasonably estimated at this time.

**10. Long Term Debt**

	<u>2019</u>	<u>2018</u>
<b>General Authority:</b>		
Debenture, interest at 6.875%, payable at \$196,303 annually including interest, maturing December 31, 2023	<b>\$ 666,802</b>	<b>\$ 807,584</b>
Debenture, interest at 3.000%, payable at \$33,905 annually including interest, maturing December 31, 2023	<b>123,072</b>	<b>150,939</b>
Komatsu Financial loan, interest at 0.000%, payable at \$2,951 monthly including interest, maturing October 23, 2021	<u><b>64,921</b></u>	<u><b>91,479</b></u>
	<u><b>\$ 854,795</b></u>	<u><b>\$ 1,050,002</b></u>
<b>Utility Funds:</b>		
Debenture, interest at 4.950%, payable at \$10,246 monthly including interest, maturing December 31, 2024	<b>\$ 543,628</b>	<b>\$ 637,150</b>
Debenture, interest at 3.940%, payable at \$102,468 annually including interest, maturing December 31, 2035	<b>1,199,288</b>	<b>1,252,411</b>
Debenture, interest at 3.800%, payable at \$79,513 annually including interest, maturing December 31, 2036	<b>982,507</b>	<b>1,023,141</b>
Debenture, interest at 3.860%, payable at \$115,782 annually including interest, maturing December 31, 2032	<u><b>1,166,265</b></u>	<u><b>1,234,398</b></u>
	<u><b>\$ 3,891,688</b></u>	<u><b>\$ 4,147,100</b></u>

**Controlled Entities:**

Altona Community Development Corporation

Rosenort Credit Union loan bearing interest at 4.550% per annum, repayable in monthly blended payments of \$2,775. The loan matures October 31, 2027 and is secured by property with a net worth of \$164,039.

\$ 380,888 \$ 458,830

Rosenort Credit Union loan bearing interest at 4.400% per annum, repayable in monthly blended payments of \$2,960. The loan matures May 31, 2028 and is secured by property with a net worth of \$850,000.

469,173 475,000  
 \$ 850,061 \$ 933,830

**Consolidated Government Partnerships:**

Pembina Valley Water Cooperative Inc.

Canadian Imperial Bank of Commerce demand facility with 30 day Bankers' Acceptances reducing by \$5,747 principal and interest installments per month, with monthly interest payments fixed through interest rate swaps at 3.56% including stamping fee of 0.81% until July 2023, amortized over 15 years. Secured by a general security agreement over accounts receivable and all property owned by the Cooperative. If not demanded, matures July 2033. (5.56% of \$13,344,150)

\$ 741,342 \$ 783,053

Canadian Imperial Bank of Commerce demand facility with 30 day Bankers' Acceptances reducing by \$449 principal installments per month, plus interest at the CIBC Bankers' Acceptance floating rate (2.07% at December 31, 2019) plus stamping fee of 0.81%, amortized over 15 years. Secured by a general security agreement over accounts receivable and all property owned by the Cooperative. If not demanded, matures July 2033. (5.56% of \$1,340,813)

74,490 79,874

Canadian Imperial Bank of Commerce revolving demand facility with interest only payments until the earlier of twelve months after the initial advance and completion of each discrete project, at which time repayment terms will be set. Interest is charged at the prime rate (3.95% at December 31, 2019) minus 0.25%. At December 31, 2019, the Cooperative had unutilized capacity under this facility of \$7,900,000. Secured by a general security agreement over accounts receivable and all property owned by the Cooperative. (5.56% of \$2,100,000)

116,667 -  
 \$ 932,498 \$ 862,927  
 \$ 6,529,042 \$ 6,993,859

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

2020	\$ 510,275
2021	\$ 558,382
2022	\$ 578,318
2023	\$ 576,028
2024	\$ 604,699

The interest rate swap is a derivative financial instrument. It has effectively locked in a fixed rate through July 2023. The fair value of the interest rate swap (in favour of the counterparty) of \$17,346 (2018 - \$15,771) is recorded in the statement of financial position with the fluctuations being recorded in the statement of operations.

## **11. Commitments**

### **a) Pembina Valley Water Cooperative Inc.**

Pembina Valley Water Cooperative Inc. has entered into numerous contracts, with expiry dates, with the following cooperative members: The Town of Carman (2018), the City of Winkler (2018) and City of Morden (2023). The contracts with the Town of Carman, the City of Winkler and City of Morden are volume based, identifying the amount of water that each organization must purchase from the Cooperative in any given year.

### **b) Altona & District Health Care Centre Inc.**

The Town has entered into an agreement with the Town of Gretna and Rural Municipalities of Rhineland and Montcalm to jointly fund any annual operating deficit that the Altona & District Health Care Centre Inc. may incur.

### **c) Rhineland, Plum Coulee, Gretna, Altona Planning District (RPGA)**

The Town has entered into an agreement with the Towns of Gretna and Plum Coulee and the Rural Municipality of Rhineland to jointly fund any annual operating deficit incurred by RPGA.

## **12. Retirement Benefits**

The majority of the employees of the Town 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 Professional 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 requires 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 Town on behalf of its employees amounted to \$175,523 (2018 - \$173,141) 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 100.8% 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 Town as part of its operations carries a number of financial instruments. It is management's opinion the Town 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 Town 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> <i>(Note 20)</i>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus (deficit)	\$ 162,463	\$ 164,559
Utility operating fund(s) - Nominal surplus	1,587,188	1,586,551
TCA net of related borrowings	29,495,169	29,808,110
Reserve funds	<u>5,083,813</u>	<u>4,182,052</u>
Accumulated surplus of municipality unconsolidated	36,328,633	35,741,272
Accumulated surpluses of consolidated entities	<u>1,864,243</u>	<u>1,925,893</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 38,192,876</u>	<u>\$ 37,667,165</u>

**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 Town. For the year ended December 31, 2019:

- a) Compensation paid to members of council amounted to \$108,434 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 - Al Friesen	\$ 22,209	\$ 1,504	\$ 23,713
Councillor - Glen Robinson	14,644	-	14,644
Councillor - Donna Rosling-Walters	12,000	-	12,000
Councillor - Curt Letkeman	12,423	81	12,504
Councillor - Joel Pankewich	12,966	-	12,966
Councillor - Harvey Shroeder	15,646	1,787	17,433
Councillor - Jordan Siemens	<u>14,403</u>	<u>771</u>	<u>15,174</u>
	<u>\$ 104,291</u>	<u>\$ 4,143</u>	<u>\$ 108,434</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Daniel Gagne</i>	CAO	\$ 114,354
<i>Perry Batchelor</i>	Police Chief	\$ 113,584
<i>Daniel Defer</i>	Police Sergeant	\$ 112,972
<i>Mark Legal</i>	Police Constable	\$ 103,853
<i>Shawn Tarnick</i>	Police Corporal	\$ 100,670
<i>Dustin Giesbrecht</i>	Police Constable	\$ 93,495
<i>Brendan Funk</i>	Police Constable	\$ 93,474
<i>Terence Fehr</i>	Director of Finance	\$ 86,161
<i>Bradley Wiebe</i>	Police Constable	\$ 84,146
<i>Ron Epp</i>	Recreation	\$ 81,658
<i>Clint Derksen</i>	Public Works	\$ 80,741
<i>Greg Zimmerman</i>	Fire Chief	\$ 80,147
<i>Anthony Dueck</i>	Police Constable	\$ 75,242



## 17. Segmented Information

The Town of Altona provides a wide ranges of services to its residents.

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

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

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

## 18. Government Partnerships

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

	2019	2018
<b>Financial Position</b>		
Financial Assets	\$ 403,528	\$ 379,696
Liabilities	(1,103,114)	(932,223)
Net financial assets (liabilities)	\$ (699,586)	\$ (552,527)
Non-financial assets	2,114,455	1,937,254
Accumulated surplus	<u>\$ 1,414,869</u>	<u>\$ 1,384,727</u>
<b>Result of Operations</b>		
Revenues	\$ 672,415	\$ 720,829
Expenses	<u>635,845</u>	<u>632,617</u>
Annual surplus	\$ 36,570	\$ 88,212
Elimination of revenues/expenses upon consolidation	<u>(144,613)</u>	<u>(116,222)</u>
Consolidated annual surplus (deficit)	<u>\$ (108,043)</u>	<u>\$ (28,010)</u>

## 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 Town 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.

### Water services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Altona	<u>\$ 1,705,302</u>	<u>\$ 15,237</u>	<u>\$ 103,988</u>	<u>\$ 1,616,551</u>

### Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Altona	<u>\$ 258,108</u>	<u>\$ -</u>	<u>\$ 22,600</u>	<u>\$ 235,508</u>

**20. Correction of an Error**

During the audit, it was discovered that there were pre-existing Shared Services Agreements with the Municipality of Rhineland for the operations of the fire department and the landfill. These agreements outline the percentage of costs each Municipality is responsible for. The omission of the cost allocation outlined in these agreements has caused an overstatement of the capital assets, amortization expense, and cost recovery revenue. Adjustments to correct have reduced 2018 opening surplus by \$901,638, reduced 2018 amortization expense by \$81,332, reduced 2018 cost recovery revenue of \$454,376, reduced 2018 capital assets by \$901,638, and reduced 2019 opening surplus by \$1,274,682.

**21. Comparative Figures**

Some of the comparative figures have been restated to correspond with current year presentation.

**22. Subsequent Events**

The following events occurred subsequent to the fiscal year end:

COVID-19

Reactions and restrictions to Coronavirus (COVID-19) continue to evolve and change regularly. Management of the Municipality continues to maintain operations where possible, while looking out for the needs and safety of the public and employees.

Operations in the historical financial statements, as presented, do not give rise to potential going-concern issues. However, given the uncertainties on the economy, management cannot predict the effect that this will have on their future operations or cash flows.

TOWN OF ALTONA

SCHEDULE 1

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2019

	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										(Note 20)	
Opening costs	\$ 5,780,510	\$ 12,218,959	\$ 4,148,707	\$ 298,366	\$ 594,790	\$ 18,904,129	\$ 24,540,616	\$ 555,483	\$ 67,041,560	\$ 65,917,064	
Correction of an error (Note 20)	-	-	-	-	-	-	-	-	-	(1,126,460)	
Additions during the year	783,818	17,496	366,993	56,683	278,776	177,890	683,247	384,072	2,748,975	14,785,449	
Disposals and write downs	-	-	(56,378)	-	(640,232)	-	-	(581,095)	(1,277,705)	(12,534,493)	
Closing costs	6,564,328	12,236,455	4,459,322	355,049	233,334	19,082,019	25,223,863	358,460	68,512,830	67,041,560	
Accumulated Amortization											
Opening accum'd amortization	1,333,620	5,518,504	2,108,446	227,833	-	13,733,363	7,158,332	-	30,080,098	29,010,586	
Correction of an error (Note 20)	-	-	-	-	-	-	-	-	-	(224,822)	
Amortization	223,449	369,902	298,746	55,140	-	451,434	657,605	-	2,056,276	1,828,560	
Disposals and write downs	-	-	(4,698)	-	-	-	-	-	(4,698)	(534,226)	
Closing accum'd amortization	1,557,069	5,888,406	2,402,494	282,973	-	14,184,797	7,815,937	-	32,131,676	30,080,098	
Net Book Value of Tangible Capital Assets	\$ 5,007,259	\$ 6,348,049	\$ 2,056,828	\$ 72,076	\$ 233,334	\$ 4,897,222	\$ 17,407,926	\$ 358,460	\$ 36,381,154	\$ 36,961,462	

**TOWN OF ALTONA**  
**CONSOLIDATED SCHEDULE OF REVENUES**  
**For the Year Ended December 31, 2019**

**SCHEDULE 2**

	2019 Actual	2018 Actual (Note 20)
<b>Property taxes:</b>		
Municipal taxes levied (Schedule 12)	\$ 4,847,126	\$ 4,779,235
Taxes added	46,425	26,370
Penalties and interest	38,983	40,085
	<u>4,932,534</u>	<u>4,845,690</u>
<b>Grants in lieu of taxation:</b>		
Federal government	-	7,549
Federal government enterprises	-	-
Provincial government	-	2,116
Provincial government enterprises	65,562	59,662
Other local governments	-	-
Non-government organizations	-	-
	<u>65,562</u>	<u>69,327</u>
<b>User fees</b>		
Sales of service	674,099	604,952
Sales of goods	49,250	19,700
Rentals	37,969	31,375
Facility use fees	515,398	297,373
	<u>1,276,716</u>	<u>953,400</u>
<b>Permits, licences and fines</b>		
Permits	38,251	45,800
Licences	13,117	10,750
Fines	2,068	5,686
	<u>53,436</u>	<u>62,236</u>
<b>Investment income:</b>		
Cash and temporary investments	197,910	181,382
Assets for lease	-	-
Other (specify):	-	-
	<u>197,910</u>	<u>181,382</u>
<b>Other revenue:</b>		
Gain on sale of real estate held for sale	14,776	39,116
Gain on settlement of debt	-	-
Gain (loss) on disposal of tangible capital assets	(19,720)	(21,524)
Contributed assets	-	-
Gain on sale of assets for lease	-	-
Miscellaneous (specify):		
Donations	189,811	447,558
Other	13,981	57,116
	<u>198,848</u>	<u>522,266</u>
<b>Water and sewer</b>		
Municipal utility(ies) (Schedule 9)	2,762,221	3,312,155
Consolidated water co-operatives	319,917	305,329
	<u>3,082,138</u>	<u>3,617,484</u>
<b>Grants - Province of Manitoba</b>		
Municipal operating grants	323,769	731,385
Other unconditional grants	579,171	107,141
Conditional grants	176,760	251,723
	<u>1,079,700</u>	<u>1,090,249</u>
<b>Grants - other</b>		
Federal government - gas tax funding	451,810	231,290
Federal government - other	3,773	15,363
Other municipal governments	122,507	158,826
	<u>578,090</u>	<u>405,479</u>
<b>Total revenue</b>	<u>\$ 11,464,934</u>	<u>\$ 11,747,513</u>

TOWN OF ALTONA  
CONSOLIDATED SCHEDULE OF EXPENSES  
For the Year Ended December 31, 2019

SCHEDULE 3

	2019 Actual	2018 Actual (Note 20)
<b>General government services:</b>		
Legislative	\$ 157,234	\$ 151,671
General administrative	574,979	554,840
Other	328,192	430,706
	<u>1,060,405</u>	<u>1,137,217</u>
<b>Protective services:</b>		
Police	1,198,622	1,143,619
Fire	346,528	326,115
Emergency measures	35,324	34,565
Other	152,813	163,751
	<u>1,733,287</u>	<u>1,668,050</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	77,514	59,693
Road and street maintenance	1,267,860	1,207,563
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	86,845	80,031
Street lighting	83,768	75,331
Other	-	-
Brush and grass cutting	-	-
Air transport	3,330	2,246
Other	4,095	713
	<u>1,523,412</u>	<u>1,425,577</u>
<b>Environmental health services:</b>		
Waste collection and disposal	517,442	473,534
Recycling	175,333	162,444
Other	163,597	35,138
	<u>856,372</u>	<u>671,116</u>
<b>Public health and welfare services:</b>		
Public health	4,238	5,023
Medical care	63,720	81,283
Social assistance	7,774	7,774
Handi-Van	-	-
	<u>75,732</u>	<u>94,080</u>
<b>Regional planning and development</b>		
Planning and zoning	77,027	73,440
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>77,027</u>	<u>73,440</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	114,865	61,334
Industrial development	467,357	406,712
Tourism	-	-
Other	-	-
	<u>582,222</u>	<u>468,046</u>
<b>Sub-totals forward</b>	<u>\$ 5,908,457</u>	<u>\$ 5,537,526</u>

TOWN OF ALTONA  
 CONSOLIDATED SCHEDULE OF EXPENSES  
 For the Year Ended December 31, 2019

SCHEDULE 3

	<u>2019 Actual</u>	<u>2018 Actual (Note 20)</u>
<b>Sub-totals forward</b>	<b><u>\$ 5,908,457</u></b>	<b><u>\$ 5,537,526</u></b>
<b>Recreation and cultural services:</b>		
Administration	912,929	846,193
Community centers and halls	-	-
Swimming pools and beaches	242,670	255,783
Golf courses	-	-
Skating and curling rinks	459,210	437,944
Parks and playgrounds	269,477	256,218
Other recreational facilities	-	-
Museums	-	-
Libraries	229,069	218,766
Other cultural facilities	-	-
	<u>2,113,355</u>	<u>2,014,904</u>
<b>Water and sewer services (Schedule 9)</b>		
Municipal utility (Schedule 9)	2,654,671	2,331,597
Consolidated water co-operatives	262,740	295,079
	<u>2,917,411</u>	<u>2,626,676</u>
<b>Total expenses</b>	<b><u>\$ 10,939,223</u></b>	<b><u>\$ 10,179,106</u></b>

## TOWN OF ALTONA

## SCHEDULE 4

## 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
<b>REVENUE</b>										
Property taxes	\$4,932,534	\$4,845,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	65,562	69,327	-	-	-	-	-	-	-	-
User fees	195,487	118,621	368,702	268,100	23,327	19,385	238,642	80,803	27,094	56,307
Grants - other	482,721	261,783	-	-	-	-	-	-	15,519	18,388
Permits, licences and fines	13,117	10,750	3,676	5,686	-	-	-	-	-	-
Investment income	162,796	148,521	-	-	-	-	-	-	-	-
Other revenue	(6,600)	22,831	10,577	26,667	13,222	4,800	-	-	3,765	2,206
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	323,769	731,385	473,549	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	-	16,053	37,955	19,470	19,126	94,973	178,803	-	-
Total revenue	\$ 6,169,386	\$ 6,208,908	\$ 872,557	\$ 338,408	\$ 56,019	\$ 43,311	\$ 333,615	\$ 259,606	\$ 46,378	\$ 76,901
<b>EXPENSES</b>										
Personnel services	\$ 494,285	\$ 481,524	\$ 1,311,889	\$ 1,231,212	\$ 462,326	\$ 417,705	\$ 150,366	\$ 139,899	\$ -	\$ -
Contract services	223,269	207,090	143,823	161,399	103,214	70,502	428,838	398,759	26,907	29,853
Utilities	19,607	22,626	51,747	55,251	93,896	90,339	6,616	5,433	3,610	3,411
Maintenance materials and supplies	23,886	37,145	155,011	130,518	239,538	228,391	152,196	54,627	16,823	16,232
Grants and contributions	116,950	103,905	3,018	1,998	-	-	28,753	30,255	19,748	22,558
Amortization	88,918	92,569	62,023	82,327	614,732	608,103	70,689	20,443	5,890	21,261
Interest on long term debt	-	-	-	-	6,038	7,109	-	-	-	258
Bad debts	-	-	-	-	-	-	-	-	-	-
Other	93,490	192,358	5,776	5,345	3,668	3,428	18,914	21,700	2,754	507
Total expenses	\$1,060,405	\$1,137,217	\$ 1,733,287	\$ 1,668,050	\$ 1,523,412	\$ 1,425,577	\$ 856,372	\$ 671,116	\$ 75,732	\$ 94,080
<b>Surplus (Deficit)</b>	<b>\$ 5,108,981</b>	<b>\$ 5,071,691</b>	<b>\$ (860,730)</b>	<b>\$ (1,329,642)</b>	<b>\$ (1,467,393)</b>	<b>\$ (1,382,266)</b>	<b>\$ (522,757)</b>	<b>\$ (411,510)</b>	<b>\$ (29,354)</b>	<b>\$ (17,179)</b>

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

**SCHEDULE 4**

**TOWN OF ALTONA**  
**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	
<b>REVENUE</b>									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,845,690
Grants in lieu of taxation	-	-	-	-	-	-	-	-	69,327
User fees	-	-	-	-	423,464	410,184	-	-	1,276,716
Grants - other	13,267	18,235	-	45,860	66,583	61,213	-	-	578,090
Permits, licences and fines	36,643	45,800	-	-	-	-	-	-	53,436
Investment income	887	-	30,387	30,562	75	93	-	-	197,910
Other revenue	-	-	(11,533)	39,416	193,182	428,552	-	-	198,848
Water and sewer	-	-	-	-	-	-	3,082,138	3,617,484	3,082,138
Prov of MB - Unconditional Grants	-	-	-	-	105,622	107,141	-	-	902,940
Prov of MB - Conditional Grants	6,474	-	-	-	39,790	15,839	-	-	176,760
<b>Total revenue</b>	<b>\$ 57,271</b>	<b>\$ 64,035</b>	<b>\$ 18,854</b>	<b>\$ 115,838</b>	<b>\$ 828,716</b>	<b>\$ 1,023,022</b>	<b>\$ 3,082,138</b>	<b>\$ 3,617,484</b>	<b>\$ 11,464,934</b>
									(Note 20)
<b>EXPENSES</b>									
Personnel services	\$ 49,356	\$ 55,837	\$ 81,012	\$ 112,226	\$ 863,947	\$ 812,155	\$ 387,104	\$ 376,638	\$ 3,800,285
Contract services	10,943	7,597	35,943	33,593	160,864	158,741	1,134,898	1,080,702	2,268,699
Utilities	-	-	2,388	1,442	183,888	191,505	157,851	144,530	519,603
Maintenance materials and supplies	-	625	14,694	18,196	208,958	225,271	348,218	247,667	1,159,324
Grants and contributions	16,723	9,381	57,030	37,501	48,294	44,625	1,514	1,502	292,030
Amortization	-	-	7,972	6,543	542,096	471,963	663,956	525,353	2,056,276
Interest on long term debt	-	-	44,252	25,573	55,521	64,578	194,529	218,833	300,340
Bad debts	-	-	11,444	-	-	-	-	-	11,444
Other	5	-	327,487	232,972	49,787	46,066	29,341	31,451	531,222
<b>Total expenses</b>	<b>\$ 77,027</b>	<b>\$ 73,440</b>	<b>\$ 582,222</b>	<b>\$ 468,046</b>	<b>\$ 2,113,355</b>	<b>\$ 2,014,904</b>	<b>\$ 2,917,411</b>	<b>\$ 2,626,676</b>	<b>\$ 10,939,223</b>
<b>Surplus (Deficit)</b>	<b>\$ (19,756)</b>	<b>\$ (9,405)</b>	<b>\$ (563,368)</b>	<b>\$ (352,208)</b>	<b>\$ (1,284,639)</b>	<b>\$ (991,882)</b>	<b>\$ 164,727</b>	<b>\$ 990,808</b>	<b>\$ 525,711</b>
									\$ 1,568,407



## TOWN OF ALTONA

## SCHEDULE 5

## 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
<b>REVENUE</b>								
Property taxes	\$ 4,932,534	\$ 4,845,690	\$ -	\$ -	\$ -	\$ -	\$ 4,932,534	\$ 4,845,690
Grants in lieu of taxation	65,562	69,327	-	-	-	-	65,562	69,327
User fees	1,266,782	900,968	-	-	9,934	52,432	1,276,716	953,400
Grants - other	482,721	261,783	-	-	95,369	143,696	578,090	405,479
Permits, licences and fines	16,793	25,274	-	-	36,643	36,962	53,436	62,236
Investment income	162,796	148,521	30,387	30,562	4,727	2,299	197,910	181,382
Other revenue	209,672	475,149	(9,733)	39,416	(1,091)	7,701	198,848	522,266
Water and sewer	2,762,221	3,312,156	-	-	319,917	305,328	3,082,138	3,617,484
Prov of MB - Unconditional Grants	847,318	782,335	-	-	55,622	56,191	902,940	838,526
Prov of MB - Conditional Grants	170,286	251,723	-	-	6,474	-	176,760	251,723
<b>Total revenue</b>	<b>\$ 10,916,685</b>	<b>\$ 11,072,926</b>	<b>\$ 20,654</b>	<b>\$ 69,978</b>	<b>\$ 527,595</b>	<b>\$ 604,609</b>	<b>\$ 11,464,934</b>	<b>\$ 11,747,513</b>
<b>EXPENSES</b>								
Personnel services	\$ 3,535,886	\$ 3,393,299	\$ 328	\$ 1,147	\$ 264,071	\$ 232,750	\$ 3,800,285	\$ 3,627,196
Contract services	2,175,035	2,040,330	17,438	27,680	76,226	80,226	2,268,699	2,148,236
Utilities	486,874	483,735	-	-	32,729	30,802	519,603	514,537
Maintenance materials and supplies	1,031,086	821,909	9,059	10,940	119,179	125,823	1,159,324	958,672
Grants and contributions	283,486	250,223	-	-	8,544	1,502	292,030	251,725
Amortization	1,964,151	1,725,702	7,972	6,543	84,153	96,317	2,056,276	1,828,562
Interest on long term debt	226,867	243,373	44,252	25,573	29,221	47,405	300,340	316,351
Bad debts	-	-	11,444	-	-	-	11,444	-
Other	199,187	283,129	310,520	232,904	21,515	17,794	531,222	533,827
<b>Total expenses</b>	<b>\$ 9,902,572</b>	<b>\$ 9,241,700</b>	<b>\$ 401,013</b>	<b>\$ 304,787</b>	<b>\$ 635,638</b>	<b>\$ 632,619</b>	<b>\$ 10,939,223</b>	<b>\$ 10,179,106</b>
<b>Surplus (Deficit)</b>	<b>\$ 1,014,113</b>	<b>\$ 1,831,226</b>	<b>\$ (380,359)</b>	<b>\$ (234,809)</b>	<b>\$ (108,043)</b>	<b>\$ (28,010)</b>	<b>\$ 525,711</b>	<b>\$ 1,568,407</b>

(Note 20)

(Note 20)

TOWN OF ALTONA

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2019

	2019							2018		
	General	Replacement	Building	Recreation	Cemetery	Gas Tax	Utility	Solid Waste	Economic Development	Total
<b>REVENUE</b>										
Investment income	\$ 19,316	\$ 5,798	\$ 7,491	\$ -	\$ 1,811	\$ 3,560	\$ 23,355	\$ 1,579	\$ 2,344	\$ 59,339
Other income	-	-	30,908	-	5,550	-	-	-	-	4,500
Total revenue	19,316	5,798	38,399	-	7,361	3,560	23,355	1,579	2,344	63,839
<b>EXPENSES</b>										
Investment charges	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	1,025
Total expenses	-	-	-	-	-	-	-	-	-	1,025
<b>NET REVENUES</b>	19,316	5,798	38,399	-	7,361	3,560	23,355	1,579	2,344	62,814
<b>TRANSFERS</b>										
Transfers from general operating fund	180,000	320,000	217,000	-	8,000	220,811	-	38,000	60,000	1,146,166
Transfers to general operating fund	(233,333)	(122,399)	(20,241)	-	-	-	-	(78,570)	-	(859,216)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	348,000	-	-	100,000
Transfers to utility operating fund	-	-	-	-	-	-	(137,219)	-	-	(354,000)
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-
<b>CHANGE IN RESERVE FUND</b>	(34,017)	203,399	235,158	-	15,361	224,371	234,136	(38,991)	62,344	95,764
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	1,196,216	376,888	486,919	-	117,749	231,290	1,518,005	102,600	152,385	4,086,288
<b>FUND SURPLUS, END OF YEAR</b>	\$ 1,162,199	\$ 580,287	\$ 722,077	\$ -	\$ 133,110	\$ 455,661	\$ 1,752,141	\$ 63,609	\$ 214,729	\$ 4,182,052

## SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.

For the Year Ended December 31, 2019

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

**TOWN OF ALTONA**  
**SCHEDULE OF FINANCIAL POSITION FOR UTILITIES**  
**As at December 31, 2019**

**SCHEDULE 8**

	<b>Total</b>	
	<u>2019</u>	<u>2018</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	587,593	448,006
Portfolio investments	-	-
Due from other funds	<u>890,075</u>	<u>1,024,012</u>
	<u>\$ 1,477,668</u>	<u>\$ 1,472,018</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ -	\$ -
Deferred revenue	-	-
Long-term debt (Note 10)	3,891,688	4,147,100
Due to other funds	<u>-</u>	<u>-</u>
	<u>3,891,688</u>	<u>4,147,100</u>
<b>NET DEBT</b>	<u>\$ (2,414,020)</u>	<u>\$ (2,675,082)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 17,063,836	\$ 17,423,114
Inventories	109,520	114,533
Prepaid expenses	<u>-</u>	<u>-</u>
	<u>17,173,356</u>	<u>17,537,647</u>
<b>FUND SURPLUS</b>	<u>\$ 14,759,336</u>	<u>\$ 14,862,565</u>

**TOWN OF ALTONA**  
**SCHEDULE OF UTILITY OPERATIONS**  
**For the Year Ended December 31, 2019**

**SCHEDULE 9**

	<u>Budget</u>	<u>2019</u>	<u>2018</u>
<b>REVENUE</b>			
<b>Water</b>			
Water fees	\$ 1,848,000	\$ 1,775,977	\$ 1,724,124
Bulk Water fees	3,000	10,339	4,140
sub-total- water	<u>1,851,000</u>	<u>1,786,316</u>	<u>1,728,264</u>
<b>Sewer</b>			
Sewer fees	978,000	900,992	828,107
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>978,000</u>	<u>900,992</u>	<u>828,107</u>
<b>Property taxes</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Government transfers</b>			
Operating	-	-	-
Capital	665,000	15,237	704,173
sub-total- government transfers	<u>665,000</u>	<u>15,237</u>	<u>704,173</u>
<b>Other</b>			
Hydrant rentals	27,300	27,300	27,300
Connection charges	2,000	8,350	2,610
Installation service	-	-	-
Penalties	6,000	10,025	7,941
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Dedication Fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	12,000	14,001	13,760
sub-total- other	<u>47,300</u>	<u>59,676</u>	<u>51,611</u>
<b>Total revenue</b>	<u>\$ 3,541,300</u>	<u>\$ 2,762,221</u>	<u>\$ 3,312,155</u>

**TOWN OF ALTONA**  
**SCHEDULE OF UTILITY OPERATIONS (cont'd...)**  
**For the Year Ended December 31, 2019**

**SCHEDULE 9**

	<u>Budget</u>	<u>2019</u>	<u>2018</u>
<b>EXPENSES</b>			
<b>General</b>			
Administration	\$ 271,105	\$ 204,730	\$ 159,794
Training costs	-	3,983	8,692
Billing and collection	-	-	30,045
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>271,105</u>	<u>208,713</u>	<u>198,531</u>
<b>Water General</b>			
Purification and treatment	126,000	111,927	128,472
Water purchases	1,177,000	1,113,944	1,064,955
Transmission and distribution	75,300	46,270	45,218
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Other water supply costs	-	-	-
sub-total- water general	<u>1,378,300</u>	<u>1,272,141</u>	<u>1,238,645</u>
<b>Water Amortization &amp; Interest</b>			
Amortization	-	69,517	69,398
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>69,517</u>	<u>69,398</u>
<b>Sewer General</b>			
Collection system costs	56,300	47,697	48,327
Treatment and disposal cost	249,800	289,470	157,796
Lift Station costs	84,300	83,944	64,795
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>390,400</u>	<u>421,111</u>	<u>270,918</u>
<b>Sewage Amortization &amp; Interest</b>			
Amortization	-	517,879	382,419
Interest on long term debt	420,720	165,308	171,686
sub-total- sewer amortization & interest	<u>420,720</u>	<u>683,187</u>	<u>554,105</u>
<b>Total expenses</b>	<u>2,460,525</u>	<u>2,654,669</u>	<u>2,331,597</u>
<b>NET OPERATING SURPLUS (DEFICIT)</b>	1,080,775	107,552	980,558
<b>TRANSFERS</b>			
Transfers from (to) operating fund	-	-	-
Transfers to capital fund	(1,864,000)	-	-
Transfers from (to) reserve funds	860,000	(210,781)	254,000
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>\$ 76,775</u>	<u>(103,229)</u>	<u>1,234,558</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<u>14,862,565</u>	<u>13,628,007</u>
<b>FUND SURPLUS, END OF YEAR</b>		<u>\$ 14,759,336</u>	<u>\$ 14,862,565</u>

## TOWN OF ALTONA

## SCHEDULE 10

## RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2019

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	PSAB Budget
<b>REVENUE</b>						
Property taxes	\$ 4,864,792	\$ -	\$ -	\$ -	\$ -	\$ 4,864,792
Grants in lieu of taxation	65,563	-	-	-	-	65,563
User fees	1,172,261	-	-	-	-	1,172,261
Permits, licences and fines	21,500	-	-	-	-	21,500
Investment income	100,000	-	-	-	-	100,000
Other revenue	30,000	-	-	-	-	30,000
Water and sewer	-	3,541,300	-	-	-	3,541,300
Grants - Province of Manitoba	752,700	-	-	-	-	752,700
Grants - other	301,676	-	-	-	-	301,676
Transfers from reserves	1,119,384	1,035,000	-	-	(2,154,384)	-
Total revenue	\$ 8,427,876	\$ 4,576,300	\$ -	\$ -	\$ (2,154,384)	\$ 10,849,792
<b>EXPENSES</b>						
General government services	\$ 761,790	\$ -	\$ 88,918	\$ -	\$ 180,268	\$ 1,030,976
Protective services	1,699,530	-	62,023	-	-	1,761,553
Transportation services	964,700	-	614,732	6,038	-	1,585,470
Environmental health services	803,425	-	70,689	-	-	874,114
Public health and welfare services	77,350	-	-	-	-	77,350
Regional planning and development	40,000	-	-	-	-	40,000
Resource conservation and industrial development	468,155	-	-	-	-	468,155
Recreation and cultural services	1,425,650	-	540,193	55,521	-	2,021,364
Water and sewer services	-	2,039,805	587,396	165,308	-	2,792,509
Fiscal services:						
Transfer to capital	1,510,800	1,864,000	-	-	(3,374,800)	-
Transfer to utility	-	-	-	-	-	-
Debt charges	230,208	420,720	-	(650,928)	-	-
Short term interest	50,000	-	-	-	(50,000)	-
Transfer to reserves	216,000	175,000	-	-	(391,000)	-
Allowance for tax assets	180,268	-	-	-	(180,268)	-
Total expenses	\$ 8,427,876	\$ 4,499,525	\$ 1,963,951	\$ (424,061)	\$ (3,815,800)	\$ 10,651,491
<b>Surplus (Deficit)</b>	\$ -	\$ 76,775	\$ (1,963,951)	\$ 424,061	\$ 1,661,416	\$ 198,301

**TOWN OF ALTONA  
ANALYSIS OF TAXES ON ROLL  
For the Year Ended December 31, 2019**

**SCHEDULE 11**

	<u>2019</u>	<u>2018</u>
<b>Balance, beginning of year</b>	<b>\$ 210,092</b>	<b>\$ 298,064</b>
<b>Add:</b>		
Tax levy (Schedule 12)	8,093,215	7,995,527
Taxes added	46,425	26,370
Penalties or interest	38,983	40,085
Other accounts added	77,706	63,207
Taxes overpaid	-	-
<b>Sub-total</b>	<b><u>8,256,329</u></b>	<b><u>8,125,189</u></b>
<b>Deduct:</b>		
Cash collections - current	7,173,996	7,002,334
Cash collections - arrears	159,862	244,899
Write-offs	-	-
Tax discounts	47,808	169,154
M.P.T.C. - cash advance	801,793	796,774
<b>Sub-total</b>	<b><u>8,183,459</u></b>	<b><u>8,213,161</u></b>
<b>Balance, end of year</b>	<b><u>\$ 282,962</u></b>	<b><u>\$ 210,092</u></b>



TOWN OF ALTONA  
ANALYSIS OF TAX LEVY

SCHEDULE 12

For the Year Ended December 31, 2019

	2019		2018	
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
Frontage			\$ -	\$ -
Local improvement	215,380,050	0.91	195,996	197,071
At large	192,695,990	0.18	34,685	34,878
sub-total- Debt charges			<u>230,681</u>	<u>231,948</u>
Deferred surplus	-	-	-	-
Reserves:				
Machinery	192,695,990	0.51	98,275	238,330
General	-	-	-	-
Building	192,695,990	0.61	117,545	315,836
sub-total- Reserves			<u>215,820</u>	<u>554,166</u>
General municipal	192,695,990	12.13	<u>2,337,402</u>	<u>2,048,089</u>
Special levies:				
B/L 1570 - Scavenging			-	-
B/L 1571 - Health Levy	215,380,050	0.18	38,768	47,644
B/L 1622 - Protective Services	215,380,050	6.45	1,389,201	1,273,382
B/L 1744 - Solid Waste Collection	200,760,930		402,305	394,355
sub-total- Special levies			<u>1,830,275</u>	<u>1,715,381</u>
Business tax (3%) and fees	7,712,300	3.00	<u>232,948</u>	<u>229,651</u>
<b>Total municipal taxes (Schedule 2)</b>			<u>4,847,126</u>	<u>4,779,235</u>
Education support levy	55,972,660	9.770	<u>546,853</u>	<u>565,667</u>
Special levies:				
Border Land	182,875,080	14.760	2,699,236	2,650,625
sub-total- Special levies			<u>2,699,236</u>	<u>2,650,625</u>
<b>Total education taxes</b>			<u>3,246,089</u>	<u>3,216,292</u>
<b>Total tax levy</b>			<u>\$ 8,093,215</u>	<u>\$ 7,995,527</u>

**TOWN OF ALTONA**  
**SCHEDULE OF GENERAL OPERATING FUND EXPENSES**  
**For the Year Ended December 31, 2019**

**SCHEDULE 13**

	<u>2019 Actual</u>	<u>2018 Actual (Note 20)</u>
<b>General government services:</b>		
Legislative	\$ 157,234	\$ 151,671
General administrative	574,979	554,840
Other	328,192	430,706
	<u>1,060,405</u>	<u>1,137,217</u>
<b>Protective services:</b>		
Police	1,198,622	1,143,619
Fire	346,528	326,115
Emergency measures	35,324	34,565
Other	152,813	163,751
	<u>1,733,287</u>	<u>1,668,050</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	77,514	59,693
Road and street maintenance	1,267,860	1,207,563
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	86,845	80,031
Street lighting	83,768	75,331
Other	-	-
Brush and Grass Cutting	-	-
Air transport	3,330	2,246
Other	4,095	713
	<u>1,523,412</u>	<u>1,425,577</u>
<b>Environmental health services:</b>		
Waste collection and disposal	517,442	473,534
Recycling	175,333	162,444
Other	163,597	35,138
	<u>856,372</u>	<u>671,116</u>
<b>Public health and welfare services:</b>		
Public health	4,238	5,023
Medical care	41,206	43,893
Social assistance	7,774	7,774
Handi-Van	-	-
	<u>53,218</u>	<u>56,690</u>
<b>Regional planning and development</b>		
Planning and zoning	26,923	22,393
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>26,923</u>	<u>22,393</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	102,106	77,565
Industrial development	347,036	394,227
Tourism	-	-
Other	-	-
	<u>449,142</u>	<u>471,792</u>
<b>Sub-totals forward</b>	<u>\$ 5,702,759</u>	<u>\$ 5,452,835</u>

**TOWN OF ALTONA**  
**SCHEDULE OF GENERAL OPERATING FUND EXPENSES**  
**For the Year Ended December 31, 2019**

**SCHEDULE 13**

	<u>2019 Actual</u>	<u>2018 Actual</u>
<b>Sub-totals forward</b>	<b><u>\$ 5,702,759</u></b>	<b><u>\$ 5,452,835</u></b>
<b>Recreation and cultural services:</b>		
Administration	912,929	846,193
Community centers and halls	-	-
Swimming pools and beaches	242,670	255,783
Golf courses	-	-
Skating and curling rinks	459,210	437,944
Parks and playgrounds	269,477	256,218
Other recreational facilities	-	-
Museums	-	-
Libraries	87,607	89,980
Other cultural facilities	-	-
	<u>1,971,893</u>	<u>1,886,118</u>
<b>Total expenses</b>	<b><u><u>\$ 7,674,652</u></u></b>	<b><u><u>\$ 7,338,953</u></u></b>

TOWN OF ALTONA

RECONCILIATION OF ANNUAL SURPLUS - Unaudited

December 31, 2019

SCHEDULE 14

	2019		2018	
	General	Utility	Total	Total
<b>MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT</b>	\$ 12,360	\$ 637	\$ 12,997	\$ (453,419)
				(Note 20)
<b>Adjustments for reporting under public sector accounting standards</b>				
Eliminate expense - transfers to reserves	1,043,811	348,000	1,391,811	1,246,166
Eliminate revenue - transfers from reserves	(454,543)	(137,219)	(591,762)	(1,213,216)
Increase revenue - reserve funds interest	65,254	-	65,254	59,339
Increase revenue - reserve funds other income	36,458	-	36,458	4,500
Increase expense - reserve funds other expenses	-	-	-	(1,025)
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(488,402)	-	(488,402)	(262,819)
Decrease expense - elimination of contribution to consolidating entities	425,305	-	425,305	428,847
Increase expense - landfill liability expense	(12,808)	-	(12,808)	(12,013)
Increase expense - amortization of tangible capital assets	(1,376,755)	(587,396)	(1,964,151)	(1,725,700)
Increase (Decrease) revenue - gain (loss) on disposal of tangible capital assets	(19,720)	-	(19,720)	(21,524)
Decrease revenue - proceeds on disposal of tangible capital assets	(31,960)	-	(31,960)	(188,455)
Decrease expense - principal portion of debenture debt	195,208	255,412	450,620	403,393
Eliminate expense - acquisitions of tangible capital assets	1,023,950	228,118	1,252,068	3,395,812
Eliminate revenue - proceeds from issuance of debentures	-	-	-	(91,479)
Eliminate revenue - proceeds from debentures pending related to capital assets	-	-	-	-
<b>NET SURPLUS PER CONSOLIDATED STATEMENT OF OPERATIONS</b>	<b>\$ 418,159</b>	<b>\$ 107,552</b>	<b>\$ 525,711</b>	<b>\$ 1,568,407</b>