THE CITY OF WINNIPEG
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31
(in thousands of dollars)

	2010	2009
FINANCIAL ASSETS		
Cash and cash equivalents (Note 3)	**$ 422,125**	$ 401,145
Accounts receivable (Note 4)	**215,949**	161,535
Land held for resale	**15,150**	12,467
Investments (Note 5)	**276,316**	299,115
Investment in government businesses (Note 6)	**23,563**	23,266
	953,103	897,528
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	**145,266**	139,020
Deferred revenue (Note 8)	**71,428**	50,943
Debt (Note 9)	**496,402**	479,492
Other liabilities (Note 10)	**45,531**	46,882
Retirement allowance, vacation, compensated absences and other (Note 11)	**145,873**	144,288
	904,500	860,625
NET FINANCIAL ASSETS	**48,603**	36,903
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 13)	**4,447,995**	4,291,354
Inventories	**16,043**	15,333
Prepaid expenses and deferred charges	**6,073**	5,906
	4,470,111	4,312,593
ACCUMULATED SURPLUS (Note 14)	**$ 4,518,714**	$ 4,349,496

Commitments and contingencies (Notes 10, 15 and 16)

See accompanying notes and schedules to the consolidated financial statements

Approved on behalf of the Audit Committee:

MAYOR

CHAIRPERSON
STANDING POLICY COMMITTEE
ON FINANCE

THE CITY OF WINNIPEG
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the years ended December 31
(in thousands of dollars)

	Budget 2010 (Unaudited)	Actual 2010	Actual 2009
REVENUES			
Taxation (Note 16)	**$ 549,330**	**$ 550,994**	$ 534,571
Sales of services and regulatory fees (Note 17)	**443,640**	**425,164**	413,243
Government transfers (Note 18)	**142,092**	**144,910**	134,710
Land sales and other revenue (Note 6)	**53,057**	**47,914**	28,573
Investment income	**36,381**	**34,769**	39,488
Total Revenues	**1,224,500**	**1,203,751**	1,150,585
EXPENSES			
Protection and community services	**386,050**	**390,421**	362,341
Utility operations	**310,509**	**301,637**	278,848
Public works	**261,291**	**264,543**	270,877
Property and development	**116,842**	**101,588**	97,958
Finance and administration	**73,486**	**66,405**	61,575
Civic corporations	**25,786**	**31,532**	29,582
General government	**30,405**	**28,512**	49,252
Total Expenses (Note 19)	**1,204,369**	**1,184,638**	1,150,433
Excess Revenues Over Expenses Before Other	**20,131**	**19,113**	152
OTHER			
Government transfers related to capital (Note 18)	**130,871**	**106,976**	122,113
Developer contributions-in-kind related to capital (Note 13)	**25,000**	**43,129**	70,950
	155,871	**150,105**	193,063
Excess Revenues Over Expenses	**$ 176,002**	**169,218**	193,215
ACCUMULATED SURPLUS, BEGINNING OF YEAR		**4,349,496**	4,156,281
ACCUMULATED SURPLUS, END OF YEAR		**$ 4,518,714**	$ 4,349,496

See accompanying notes and schedules to the consolidated financial statements

THE CITY OF WINNIPEG
CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended December 31
(in thousands of dollars)

	2010	2009
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Excess Revenues Over Expenses	**$ 169,218**	$ 193,215
Non-cash charges to operations		
Amortization	**165,857**	155,382
Other	**(17,956)**	20,804
	317,119	369,401
Net change in non-cash working capital balances related to operations	**(27,635)**	(29,497)
Cash provided by operating activities	**289,484**	339,904
CAPITAL		
Acquisition of tangible capital assets	**(333,851)**	(384,110)
Proceeds on disposal of tangible capital assets	**28,178**	6,018
Cash used in capital activities	**(305,673)**	(378,092)
FINANCING		
Increase in sinking fund investments	**(19,662)**	(27,386)
Sinking fund investments applied to debt redemption	**-**	104,519
Debenture and serial debt retired	**(19,931)**	(149,878)
Sinking fund and serial debenture issued	**60,000**	48,480
Other	**(3,405)**	26,864
Cash provided by financing activities	**17,002**	2,599
INVESTING		
Decrease of investments	**20,167**	12,141
Cash provided by investing activities	**20,167**	12,141
Increase (decrease) in cash and cash equivalents	**20,980**	(23,448)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**401,145**	424,593
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 422,125**	$ 401,145

See accompanying notes and schedules to the consolidated financial statements

THE CITY OF WINNIPEG
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the years ended December 31
(in thousands of dollars)

	Budget 2010 (Unaudited)	Actual 2010	Actual 2009
EXCESS REVENUES OVER EXPENSES	**$ 176,002**	**$ 169,218**	$ 193,215
Amortization of tangible capital assets	**168,452**	**165,857**	155,382
Proceeds on disposal of tangible capital assets	**25,000**	**28,178**	6,018
(Gain) loss on sale of tangible capital assets	**(23,784)**	**(20,525)**	1,875
Change in inventories, prepaid expenses and deferred charges	**2,600**	**(877)**	(1,127)
Acquisition of tangible capital assets	**(439,548)**	**(333,851)**	(384,110)
Other	**-**	**3,700**	(12,200)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	**(91,278)**	**11,700**	(40,947)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	**36,903**	**36,903**	77,850
NET FINANCIAL ASSETS, END OF YEAR	**$ (54,375)**	**$ 48,603**	$ 36,903

See accompanying notes and schedules to the consolidated financial statements

1. Status of The City of Winnipeg

The City of Winnipeg (the "City") is a municipality that was created on January 1, 1972 pursuant to The City of Winnipeg Act, a statute of the Legislature of the Province of Manitoba (the "Province"). The City continued as a body corporate by virtue of the enactment by the Province of The City of Winnipeg Charter on January 1, 2003. The City provides municipal services such as police, fire, ambulance, public works, urban planning, parks and recreation, library and other general government operations. The City owns and operates a number of public utilities, has designated reserves and provides funding support for other entities involved in economic development, recreation, entertainment, convention, tourism and housing activities.

2. Significant Accounting Policies

These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The significant accounting policies are summarized as follows:

a) Basis of consolidation

The consolidated financial statements include the assets, liabilities, reserves, surpluses/deficits, revenues and expenses of those City funds and governmental functions or entities which have been determined to comprise a part of the aggregate City operations based upon control exercised by the City except for the City's government businesses which are accounted for on the modified equity basis of accounting. Inter-fund and inter-corporate balances and transactions have been eliminated.

i) Consolidated entities

The organizations included in the consolidated financial statements are as follows:

CentreVenture Development Corporation	Winnipeg Arts Council Inc.
Economic Development Winnipeg Inc.	Winnipeg Enterprises Corporation
The Convention Centre Corporation	Winnipeg Public Library Board

ii) Government businesses

The investment in North Portage Development Corporation is reported as a government business partnership and Winnipeg Housing Rehabilitation Corporation as a government business enterprise. These businesses are accounted for using the modified equity method. Under this method, the government businesses' accounting principles are not adjusted to conform with those of the City and inter-corporate transactions are not eliminated (Note 6).

iii) Employees' pension funds

The employees' pension funds of the City are administered on behalf of the pension plan participants by the Board of Trustees of the Winnipeg Civic Employees' Benefits Program (the "EBB") (Pension Fund) for the payment of pension benefits and accordingly are not included in the consolidated financial statements.

2. Significant Accounting Policies (continued)

iv) Group life insurance funds

The group life insurance funds of the City are administered by the EBB for the payment of life insurance and accordingly are not included in the consolidated 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 receipt of goods or services and/or the creation of a legal obligation to pay.

c) School taxes

The City is required by The Public Schools Act to bill, collect and remit provincial education support levies in respect of residential and other properties on behalf of the Province, and school division special levies on behalf of school divisions. The City has no jurisdiction or control over the school divisions' operations or their mill rate increases. Therefore, the taxation, other revenues, expenses, assets and liabilities with respect to the operations of school boards are not reflected in these consolidated financial statements.

d) Cash equivalents

Cash equivalents consist of Government of Canada treasury bills; crown corporation bonds; provincial government bonds; City of Winnipeg municipal bonds; schedule 1 bank bonds, bankers' acceptances and bearer deposit notes; schedule 2 bankers' acceptances and bearer deposit notes; and asset backed commercial paper. Cash equivalents are recorded at cost, which approximates their quoted market value, and are redeemable on demand.

e) Land held for resale

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale or servicing.

f) Investments

Bonds are carried at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the remaining terms to maturity with annual amortization computed at amounts which, when combined with actual income received, result in a constant effective yield on the amortized book value.

g) Assessment appeal costs

Assessment appeal costs are estimated at the beginning of the two-year assessment cycle and are amortized over the cycle. The liability is net of the unamortized costs.

h) Solid waste landfills

The estimated costs 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 site's capacity is used.

2. Significant Accounting Policies (continued)

i) Environmental provisions

The City provides for the cost of compliance with environmental legislation when conditions are identified which indicate non-compliance with environmental legislation and costs can be reasonably determined. The estimated amounts of future restoration costs are reviewed regularly, based on available information and governing legislation.

j) Deferred revenue

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work or for the acquisition and construction of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

k) Employee benefit plans

The Winnipeg Civic Employees' Benefits Program is a multi-employer contributory defined benefit program and accordingly contributions are expensed as incurred. The costs of other pensions and other retirement benefits have been accounted for based on actuarially determined amounts using the projected benefit method prorated on services and management's best estimate of retirement ages of employees, salary escalation and plan investment performance. Actuarial gains and losses are amortized on a straight-line basis over the average remaining service period. The liabilities are discounted using current interest rates on long-term bonds.

l) 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 consolidated change in net financial assets for the year.

i) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	10 to 50 years
Vehicles	
Transit buses	18 years
Other vehicles	5 to 10 years
Computer hardware and software	5 to 10 years
Other	
Machinery and equipment	10 years
Land improvements	10 to 30 years

Water and waste plants and networks	
Underground networks	50 to 100 years
Sewage treatment plants and lift stations	50 to 75 years
Water pumping stations and reservoirs	50 to 75 years
Flood stations and other infrastructure	50 to 75 years
Transportation	
Roads	10 to 50 years
Bridges and structures	25 to 75 years

Assets under construction are not amortized until the asset is available for productive use.

In certain circumstances, capital project work is charged an administration fee equal to 1% of specific costs of the project to a maximum of $100 thousand on any individual project. In addition, interim financing charges of 2% are also capitalized as part of the project cost funded by the City.

a) Contributions of tangible capital assets

Developer contributed tangible capital assets are recorded at their fair value at the date of receipt. The contribution is recorded as revenue.

b) Leases

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

ii) Inventories

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

m) Government transfers

Government transfers are the transfer of assets from the senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future or are the result of a direct financial return.

Government transfers are recognized in the consolidated financial statements as revenue in the financial period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met including performance and return requirements, and reasonable estimates of the amounts can be determined.

n) Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions on such areas as employee benefits, assessment appeals, lawsuits and environmental provisions. These estimates and assumptions are based on the City's best information and judgment and may differ significantly from actual results.

3. *Cash and Cash Equivalents*

	2010	2009
Cash	**$ 2,275**	$ 622
Cash equivalents	**419,850**	400,523
	$ 422,125	$ 401,145

The average effective interest rate for cash equivalents at December 31, 2010 is 1.3% (2009 - 0.6%).

Cash and cash equivalents are net of $147.7 million (2009 - $86.1 million) which has been received from various entities including EBB. The funds are invested on a pooled basis to obtain maximum investment returns.

Cash received for interest during the year is $34.0 million (2009 - $42.2 million).

4. *Accounts Receivable*

	2010	2009
Property, payments-in-lieu and business taxes receivable	**$ 34,387**	$ 30,036
Allowance for property, payments-in-lieu and business tax arrears	**(3,080)**	(3,784)
	31,307	26,252
Trade accounts and other receivables	**112,110**	102,345
Province of Manitoba	**68,140**	33,207
Government of Canada	**11,971**	6,836
Allowance for doubtful accounts	**(7,579)**	(7,105)
	184,642	135,283
	$ 215,949	$ 161,535

5. *Investments*

	2010	2009
Marketable securities		
Government of Canada bonds and Federal guarantees	**$ 6,494**	$ 9,385
Provincial bonds	**9,891**	18,940
Municipal bonds	**36,775**	41,159
	53,160	69,484
Manitoba Hydro long-term receivable	**220,238**	226,640
Other investments	**2,918**	2,991
	$ 276,316	$ 299,115

The aggregate market value of marketable securities at December 31, 2010 is $55.1 million (2009 - $71.0 million).

On February 27, 2002, City Council approved Manitoba Hydro's proposal to purchase Winnipeg Hydro. The terms of the proposal included payments to the City of $25 million per annum commencing in 2002 and for the next four years thereafter; $20 million per annum for years six through nine; and $16 million per annum for years ten in perpetuity.

The Manitoba Hydro investment represents the sum of the discounted future cash flows of the above annual payments to the City discounted at the City's 2002 average long-term borrowing rate of 6%.

6. Investment in Government Businesses

a) North Portage Development Corporation

North Portage Development Corporation (the "NPDC") is a government partnership that is owned equally by the Government of Canada, the Province of Manitoba and The City of Winnipeg. The mission of NPDC is to act as a catalyst, encouraging activities for people in the downtown through public and private partnerships and to work to ensure financial self-sufficiency. NPDC is responsible for the continuing renewal and stewardship of two sites in Winnipeg's downtown: the North Portage area and The Forks. NPDC is involved in certain business and core activities regarding the ownership, development and management of its two sites that include land investment properties and public amenities.

The condensed supplementary financial information of NPDC is as follows:

	2010	2009
Financial position		
Capital assets and investment in properties and infrastructure enhancements	**$ 77,494**	$ 78,154
Investments	**13,669**	16,965
Other assets	**4,394**	2,780
	$ 95,557	$ 97,899
Deferred contributions	**$ 18,996**	$ 21,014
Long-term debt	**12,380**	12,668
Current and other liabilities	**6,256**	6,888
	37,632	40,570
Net assets	**57,925**	57,329
	$ 95,557	$ 97,899

	2010	2009
Results of operations		
Revenues	**$ 10,464**	$ 10,365
Expenditures	**9,360**	9,555
	1,104	810
Amortization	**(944)**	(1,183)
Other adjustments	**(318)**	-
Unrealized and realized gains (losses)	**754**	(955)
Excess (deficiency) of revenues over expenditures for the year	**$ 596**	$ (1,328)

6. Investment in Government Businesses (continued)

b) Winnipeg Housing Rehabilitation Corporation

Winnipeg Housing Rehabilitation Corporation (the "WHRC") is a non-profit developer and manager of affordable housing in Winnipeg. WHRC was founded by the City. Pursuant to operating agreements, WHRC receives subsidies from Canada Mortgage and Housing Corporation and Manitoba Housing and Renewal Corporation.

The condensed supplementary financial information of WHRC is as follows:

	2010	2009
Financial position		
Capital assets	**$ 29,506**	$ 30,521
Current and other assets	**5,844**	6,037
	$ 35,350	$ 36,558
Long-term debt	**$ 27,059**	$ 28,221
Current and other liabilities	**4,036**	4,181
	31,095	32,402
Replacement Reserves	**3,655**	3,572
WHRC Building and Acquisition Reserve	**977**	320
Net assets	**(377)**	264
	4,255	4,156
	$ 35,350	$ 36,558

	2010	2009
Results of operations		
Revenues	**$ 7,243**	$ 7,191
Expenditures	**7,884**	7,104
(Deficiency) excess of revenues over expenditures for the year	**(641)**	87
Gain on sale of capital assets	**-**	2
Change to Replacement Reserves during the year	**83**	85
Change to WHRC Building and Acquisition Reserve during the year	**657**	8
	$ 99	$ 182

During the year, the City paid WHRC an operating grant of $200 thousand (2009 - $200 thousand). In addition, the City has guaranteed WHRC's operating line of credit to a value of $2.0 million (2009 - $2.0 million).

Summary of investment in government businesses

	2010	2009
North Portage Development Corporation (1/3 share)	**$ 19,308**	$ 19,110
Winnipeg Housing Rehabilitation Corporation	**4,255**	4,156
	$ 23,563	$ 23,266

6. *Investment in Government Businesses (continued)*

Summary of results of operations

	2010	2009
North Portage Development Corporation (1/3 share)	**$ 198**	$ (441)
Winnipeg Housing Rehabilitation Corporation	**99**	182
	$ 297	$ (259)

The results of operations are included in the Consolidated Statement of Operations and Accumulated Surplus as land sales and other revenue. These organizations report their activities based on a March 31 year-end.

7. *Accounts Payable and Accrued Liabilities*

	2010	2009
Accrued liabilities	**$ 73,442**	$ 68,859
Trade accounts payable	**58,702**	56,871
Accrued interest payable	**13,122**	13,290
	$ 145,266	$ 139,020

8. *Deferred Revenue*

	2010	2009
Province of Manitoba	**$ 34,024**	$ 21,740
Federal gas tax transfer	**26,770**	13,494
Other	**10,634**	7,252
Federal public transit transfer	**-**	8,457
	$ 71,428	$ 50,943

9. *Debt*

Sinking fund debentures outstanding

Term	Maturity Date	Rate of Interest	Series	By-Law No.	Amount of Debt **2010**	Amount of Debt 2009
1993-2013	Feb. 11	9.375	VN	6090/93	**$ 90,000**	$ 90,000
1994-2014	Jan. 20	8.000	VQ	6300/94	**85,000**	85,000
1995-2015	May 12	9.125	VR	6620/95	**88,000**	88,000
1997-2017	Nov. 17	6.250	VU	7000/97	**30,000**	30,000
2006-2036	July 17	5.200	VZ	183/2004 and 72/2006	**60,000**	60,000
2008-2036	July 17	5.200	VZ	72/2006B	**100,000**	100,000
2010-2041	June 3	5.150	WB	183/2008	**60,000**	-
					513,000	453,000
Equity in The Sinking Funds (Notes 9a and b)					**(218,687)**	(199,025)
Net sinking fund debentures outstanding					**294,313**	253,975

9. Debt (continued)

	2010	2009
Other debt outstanding		
Serial and installment debt issued by the City with varying maturities up to 2019 and a weighted average interest rate of 4.82% (2009 - 4.84%)	**99,004**	118,935
The Province and bank loans with varying maturities up to 2025 and a weighted average interest rate of 3.69% (2009 - 3.75%)	**74,647**	76,349
Capital lease obligations (Note 9c)	**28,438**	30,233
	$ 496,402	$ 479,492

Debt segregated by fund/organization:

	2010	2009
Waterworks System	**$ 167,462**	$ 170,047
General Capital Fund	**166,074**	195,489
Special operating agencies and other	**70,342**	72,845
Transit System	**67,744**	9,629
Sewage Disposal System	**24,454**	31,094
Solid Waste Disposal	**326**	388
	$ 496,402	$ 479,492

Debt to be retired over the next five years:

	2011	2012	2013	2014	2015	2016+
Sinking fund debentures	$ -	$ -	$ 90,000	$ 85,000	$ 88,000	$ 250,000
Other debt	47,145	31,386	32,107	18,702	13,740	59,009
	$ 47,145	$ 31,386	$ 122,107	$ 103,702	$ 101,740	$ 309,009

a) As at December 31, 2010, sinking fund assets have a market value of $229.6 million (2009 - $209.2 million). Sinking fund assets are mainly comprised of government and government-guaranteed bonds and debentures, which include City of Winnipeg debentures with a carrying value of $38.8 million (2009 - $17.0 million) and a market value of $39.4 million (2009 - $17.2 million).

b) The City of Winnipeg Charter requires the City to make annual payments to The Sinking Fund Trustees of The City of Winnipeg on debt outstanding as at December 31, 2002. Sinking fund arrangements after December 31, 2002 are managed in a separate fund by the City. The City is currently paying one percent or greater on its outstanding sinking fund debentures. These annual payments are invested for the retirement of the debenture issues on their maturity dates.

9. Debt (continued)

c) Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

	Capital Leases
2011	$ 4,117
2012	3,018
2013	3,095
2014	3,098
2015	2,336
Thereafter	39,137
Total future minimum lease payments	54,801
Amount representing interest at a weighted average rate of 8.42%	(26,363)
Capital lease liability	$ 28,438

d) Interest on debt recorded in the Consolidated Statement of Operations and Accumulated Surplus in 2010 is $46.2 million (2009 - $49.6 million).

e) Cash paid for interest during the year is $46.4 million (2009 - $50.9 million).

10. Other Liabilities

	2010	2009
Environmental liabilities	**$ 19,500**	$ 18,500
Developer deposits	**8,773**	9,084
Other liabilities	**17,258**	19,298
	$ 45,531	$ 46,882

Included in environmental liabilities is $18.1 million (2009 - $17.1 million) of the estimated total landfill closure and post-closure care expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used. Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the City's average long-term borrowing rate of 6.0% (2009 - 6.0%).

Landfill closure and post-closure care requirements have been defined in accordance with the Environment Act and include final covering and landscaping of the landfill, pumping of ground, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 100-year period using the best information available to management. Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

10. Other Liabilities (continued)

The estimated capacity of the City's one remaining landfill, the Brady Road Landfill Site, is 95% of its total capacity and its remaining life is approximately 95 years, after which perpetual post-closure maintenance is required.

The Brady Landfill Site Rehabilitation Reserve was established for the purpose of providing funding for the future development of the Brady Road Landfill Site. The reserve is financed through a transfer from the Solid Waste Disposal Fund and is based upon residential and commercial tonnes. As at December 31, 2010, the reserve had a balance of $3.7 million (2009 - $3.4 million).

11. Retirement Allowance, Vacation, Compensated Absences and Other

	2010	2009
Retirement allowance - accrued obligation	**$ 89,975**	$ 85,198
Unamortized net actuarial loss	**(9,146)**	(7,252)
Retirement allowance - accrued liability	**80,829**	77,946
Vacation	**42,986**	43,170
Compensated absences	**7,793**	7,667
Other	**14,265**	15,505
	$ 145,873	$ 144,288

Under the retirement allowance plan, qualifying employees become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). In addition, adjustments arising from plan amendment, changes in assumptions, and experience gains and losses are amortized on a straight-line basis over 11.8 years, which represents the expected average remaining service life of the employee group. Amortization is calculated beginning in the year following the year of occurrence of the actuarial gains or losses.

The City measures its accrued retirement allowance obligation as at December 31 of each year. An actuarial valuation report of the obligation was prepared effective December 31, 2008. The results of this valuation were extrapolated to December 31, 2010.

Information about the City's retirement allowance benefit plan is as follows:

	2010	2009
Retirement allowance - accrued liability		
Balance, beginning of year	**$ 77,946**	$ 76,575
Current service cost	**4,464**	4,338
Interest cost	**3,705**	3,838
Amortization of net actuarial loss	**1,128**	1,016
Benefit payments	**(6,414)**	(7,821)
Balance, end of year	**$ 80,829**	$ 77,946

11. Retirement Allowance, Vacation, Compensated Absences and Other (continued)

Retirement allowance expense consists of the following:

	2010	2009
Current service cost	**$ 4,464**	$ 4,338
Interest cost	**3,705**	3,838
Amortization of net actuarial loss	**1,128**	1,016
	$ 9,297	$ 9,192

The significant actuarial assumptions adopted in measuring the retirement allowance obligation for the year ended December 31 are as follows:

	2010	2009
Discount rate on liability	**3.90%**	4.40%
General increases in pay	**3.00%**	3.00%

Demographic assumptions such as utilization of sick leave credits, salary increases as a result of increments and promotion, continuation of employment and the probability of retirement or death in future years are based on employment experience.

Compensated absences represent benefits expected to be paid during future employee absences in respect of sick leave days earned in previous years.

12. Pension Costs and Obligations

a) Winnipeg Civic Employees' Benefits Pension Plan

The Winnipeg Civic Employees' Benefits Pension Plan is similar to a defined contribution pension plan because it is a multi-unit pension plan governed by an independent board of trustees and a trust agreement that limits the City's contribution rate. The Plan provides pension and disability benefits to all City of Winnipeg employees, other than police officers, and to employees of certain other participating employers. During 2010, members contributed 7.6% of their Canada Pension Plan earnings and 9.4% of pensionable earnings in excess of Canada Pension Plan earnings. The City and participating employers are required to make matching contributions. In the event of unfavourable financial experience, members' and employers' contributions can be increased, on an equal basis, to a rate not exceeding 8% of pensionable earnings.

An actuarial valuation of the plan was prepared on December 31, 2009, which indicated an excess of actuarial value of program assets over actuarial liabilities of $266.0 million. The Pension Trust Agreement specifies how the excess of actuarial surpluses can be used but does not attribute the excess of actuarial surpluses to individual employers. However, a portion of the excess of actuarial surpluses is allocated to a City Account that the City and other participating employers may use to finance reductions in their contributions.

The balance of the City Account at December 31, 2010 was $82.1 million (2009 - $85.3 million).

Total contributions by the City to the program in 2010 were $20.4 million (2009 - $12.4 million), which were expensed as incurred.

12. Pension Costs and Obligations (continued)

b) Winnipeg Police Pension Plan

The Winnipeg Police Pension Plan is a contributory defined benefit plan, providing pension benefits to police officers. Members are required to make contributions at the rate of 8% of pensionable earnings. The City is required to finance the cost of the plan's benefits other than cost-of-living adjustments and to contribute 1% of pensionable earnings in respect of cost-of-living adjustments. A contribution stabilization reserve has been established to maintain the City's contribution rate at 8% of pensionable earnings. The plan incorporates a risk-sharing arrangement under which actuarial surpluses are first allocated to maintain cost-of-living adjustments to pensions at 75% of the inflation rate and maintain the contribution stabilization reserve and thereafter are shared equally between the City and plan members. Funding deficiencies are resolved through reductions in the contribution stabilization reserve and the rate of cost-of-living adjustments to pensions.

An actuarial valuation of the plan was prepared as of December 31, 2009 and the results were extrapolated to December 31, 2010. The principal long-term assumptions on which the valuation was based were: discount rate of 6.25% per year (2009 - 6.25%); inflation rate of 2.00% per year (2009 - 2.00%); and general pay increases of 3.50% per year (2009 - 3.50%). The accrued pension obligation was valued using the projected benefit method pro-rated on services. Based on this valuation and extrapolation, the Plan's assets, accrued pension obligation and pension expenses are as follows:

	2010	2009
Plan assets:		
Fair value, beginning of year	**$ 854,735**	$ 760,147
Employer contributions	**9,454**	9,026
Employee contributions and transfers	**9,754**	9,327
Benefits and expenses paid	**(38,252)**	(36,718)
Net investment income	**86,542**	112,953
Fair value, end of year	**922,233**	854,735
Actuarial adjustment	**16,732**	53,361
Actuarial value, end of year	**$ 938,965**	$ 908,096
Accrued pension obligation:		
Beginning of year	**$ 853,562**	$ 855,245
Current period benefit cost	**28,357**	28,024
Benefits and expenses paid	**(38,252)**	(36,718)
Interest on accrued pension obligation	**53,553**	51,953
Actuarial gain	**(323)**	(44,942)
End of year	**$ 896,897**	$ 853,562
Funded status	**$ 42,068**	$ 54,534
Less: contribution stabilization reserve	**(42,068)**	(54,534)
Actuarial surplus	**$ -**	$ -

12. Pension Costs and Obligations (continued)

	2010	2009
Expenses related to pensions		
Current period benefit cost	**$ 28,357**	$ 28,024
Amortization of actuarial gains	**(6,267)**	(8,237)
Less: employee contributions and transfers	**(9,754)**	(9,327)
Pension benefit expense	**12,336**	10,460
Interest on accrued benefit obligation	**53,553**	51,953
Expected return on plan assets	**(56,435)**	(53,387)
Pension interest expense	**(2,882)**	(1,434)
Total expenses related to pensions	**$ 9,454**	$ 9,026

The actuarial value of the Plan's assets is determined by averaging over five years differences between the pension fund's net investment income and expected investment income based on the expected rate of return.

Total contributions made by the City to the Plan in 2010 were $9.5 million (2009 - $9.0 million). Total employee contributions to the Plan in 2010 were $9.6 million (2009 - $9.2 million). Benefits paid from the Plan in 2010 were $37.5 million (2009 - $35.9 million).

The expected rate of return on Plan assets in 2010 was 6.25% (2009 - 6.00%). The actual rate of return, net of investment expenses, on Plan assets in 2010 was 10.24% (2009 - 15.05%).

As the City's contribution to the Plan each year are equal to its pension expense, no accrued pension asset or liability is reflected in the Consolidated Statement of Financial Position.

c) Councillors' Pension Plan

i) Pension Plan Established Under By-Law Number 3553/83

On November 2, 1992, the pension plan provided to members of City Council was terminated, thereby not allowing new members to be accepted to the plan and current members being entitled to receive retirement benefits once they become eligible. In 2010, the City paid out $0.3 million (2009 - $0.3 million). An actuarial determined pension obligation of $3.9 million (2009 - $3.9 million) has been reflected in the Consolidated Statement of Financial Position.

ii) Pension Plan Established Under By-Law Number 7869/01

On November 22, 2000, City Council adopted the policy that effective January 1, 2001, a Council Pension Plan be created for all members of City Council for The City of Winnipeg which is consistent with the Civic Employees' Pension Plan. An accrued pension asset or liability is not reflected in the Consolidated Statement of Financial Position.

12. Pension Costs and Obligations (continued)

d) Group Life Insurance Plan

Employees of the City who are members of the Civic Employees' Benefits Pension Plan and the Winnipeg Police Pension Plan must become members of the Civic Employees' Group Life Insurance Plan and the Police Employees' Group Life Insurance Plan, respectively. These plans provide life insurance for members while employed and can be continued into retirement at the employees' option. Plan members and the City share the cost of basic life insurance. An actuarial valuation indicated that this post-retirement liability is fully funded.

An actuarial valuation of the plan was prepared as of December 31, 2007 and the results were extrapolated to December 31, 2010. The principal long-term assumptions on which the valuation was based were: discount rate of 4.65% per year (2009 - 5.15%); and general pay increases of 3.75% per year (2009 - 3.75%). The accrued group life insurance obligation was valued using the projected benefit method pro-rated on services. Based on this valuation and extrapolation, the funded status of the plan is as follows:

	2010	2009
Group life insurance plan assets, at actuarial value	**$ 132,874**	$ 129,656
Accrued post-retirement life insurance obligations	**$ 96,268**	$ 84,010

13. Tangible Capital Assets

	Net Book Value	
	2010	2009
General		
Land	**$ 191,940**	$ 189,507
Buildings	**303,015**	292,478
Vehicles	**172,305**	165,860
Computer	**46,987**	51,975
Other	**94,236**	83,833
Infrastructure		
Plants and facilities	**600,589**	599,450
Roads	**859,372**	821,659
Underground and other networks	**1,764,978**	1,733,992
Bridges and other structures	**304,247**	307,643
	4,337,669	4,246,397
Assets under construction	**110,326**	44,957
	$ 4,447,995	$ 4,291,354

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Schedule 1).

During the year, assets were written-down $0.7 million (2009 - $nil). Interest capitalized during 2010 was $3.5 million (2009 - $2.6 million). In addition, roads and underground networks contributed to the City totalled $43.1 million in 2010 (2009 - $71.0 million) and were capitalized at their fair value at the time of receipt.

14. Accumulated Surplus

Accumulated surplus consists of individual fund surplus/(deficit) and reserves as follows:

	2010	2009
Surplus		
Invested in tangible capital assets	**$ 3,983,440**	$ 3,803,787
Unamortized gain on Winnipeg Hydro sale	**220,238**	226,640
Sewage Disposal System	**90,872**	83,745
Waterworks System	**66,948**	84,949
North Portage Development Corporation	**19,308**	19,110
CentreVenture Development Corporation	**9,651**	9,481
Equipment and Material Services	**8,757**	11,442
Solid Waste Disposal	**3,296**	3,864
Other	**37,854**	18,039
Unfunded expenses		
Canadian Museum for Human Rights grant	**(11,059)**	(11,100)
Environmental liabilities	**(18,878)**	(17,858)
Retirement allowance, vacation, compensated absences and other	**(142,644)**	(141,270)
Total Surplus	**4,267,783**	4,090,829
Reserves		
Capital Reserves		
Environmental Projects Reserve	**38,544**	31,539
Sewer System Rehabilitation Reserve	**33,316**	35,998
Transit Bus Replacement Reserve	**8,063**	11,808
Rapid Transit Infrastructure Reserve	**7,602**	7,046
Other	**9,851**	11,938
	97,376	98,329
Stabilization Reserves		
Mill Rate Stabilization Reserve	**41,910**	41,912
Fiscal Stabilization Reserve	**39,672**	36,485
	81,582	78,397
Special Purpose Reserves		
Land Operating Reserve	**14,182**	20,668
Perpetual Maintenance Fund - Brookside Cemetery	**12,608**	12,123
Destination Marketing Reserve	**7,631**	4,760
General Purpose Reserve	**7,214**	14,162
Heritage Investment Reserve	**6,410**	7,484
Contribution in Lieu of Land Dedication Reserve	**4,495**	5,497
Insurance Reserve (Note 20)	**3,690**	1,639
Workers Compensation Reserve	**2,758**	3,173
Other	**12,985**	12,435
	71,973	81,941
Total Reserves	**250,931**	258,667
	$ 4,518,714	$ 4,349,496

14. Accumulated Surplus (continued)

Invested in tangible capital assets represents equity in non-financial assets, which is either a portion or the entire accumulated surpluses of specific funds consolidated in these statements. For those funds, where a portion of their accumulated surplus is allocated to invested in tangible capital assets, the amount is determined based on tangible capital assets less debt.

15. Commitments and Contingencies

The significant commitments and contingencies that existed at December 31, 2010 are as follows:

a) The City had entered into a number of lease agreements mainly for the lease of accommodations for civic offices and office equipment. Future minimum lease payments are as follows:

	Operating Leases
2011	$ 3,948
2012	3,544
2013	3,019
2014	1,882
2015 and thereafter	8,683
	$ 21,076

b) As part of the normal course of operations, lawsuits are pending against the City. The final outcome with respect to actions that will arise from these lawsuits as at December 31, 2010 cannot be predicted with certainty. Where the occurrence of future events is considered likely to result in a loss with respect to an existing condition and the amount of loss can be reasonably estimated, amounts have been recorded in the consolidated financial statements.

c) The City has also unconditionally guaranteed the payment of principal and interest on capital improvement loans for several organizations. The outstanding balance on these loans as at December 31, 2010 is $5.4 million (2009 - $4.9 million).

d) During 2010, the City entered into two significant 30-year contracts. The contracts are for the replacement of the Disraeli Bridges and the extension of Chief Pequis Trail. These contracts include a total of $127.0 million in upfront payments and upon the facilities being commissioned, annual fixed payments of $14.3 million and annual payments of $3.0 million to be adjusted by the Consumer Price Index.

16. Taxation

	2010	2009
Municipal and school property taxes	**$ 883,541**	$ 852,364
Payments-in-lieu of property (municipal and school) and business taxes	**42,531**	38,871
	926,072	891,235
Payments to Province and school divisions	**(497,907)**	(474,445)
Net property taxes and payments-in-lieu of property taxes available for municipal purposes	**428,165**	416,790
Business tax and license-in-lieu of business taxes	**57,563**	56,539
Local improvement and frontage levies	**29,048**	29,055
Electricity and natural gas sales taxes	**23,227**	17,989
Amusement and accommodation taxes and mobile home license	**12,991**	14,198
	$ 550,994	$ 534,571

The property tax roll includes school taxes of $474.5 million (2009 - $451.4 million) assessed and levied on behalf of the Province and school divisions. Payments-in-lieu of school taxes assessed in 2010 totalled $23.5 million (2009 - $23.0 million) and are treated the same as school taxes. School taxes and payments-in-lieu of school taxes are remitted to the Province and school divisions based upon a formula and schedule set by the Province. If property taxes are reduced due to an assessment reduction, the City is required by legislation to fund the repayment of both the municipal and school taxes with applicable interest.

17. Sales of Services and Regulatory Fees

	2010	2009
Water sales and sewage services	**$ 204,609**	$ 205,533
Other sales of goods and services	**98,854**	93,001
Transit fares	**65,592**	63,906
Regulatory fees	**56,109**	50,803
	$ 425,164	$ 413,243

18. Government Transfers

	2010	2009
Operating		
Province of Manitoba		
Building Manitoba Fund	**$ 56,704**	$ 55,404
Ambulance, libraries and other	**51,042**	48,058
Transit	**27,877**	24,276
Unconditional	**19,888**	19,888
Support	**11,545**	10,632
Support for provincial programs	**(23,650)**	(23,650)
	143,406	134,608
Government of Canada		
Other	**1,504**	102
Total Operating	**144,910**	134,710
Capital		
Province of Manitoba	**62,293**	52,983
Government of Canada		
Federal gas tax revenue	**27,176**	29,731
Other capital funding	**9,050**	18,240
Public transit	**8,457**	21,159
	44,683	69,130
Total Capital	**106,976**	122,113
	$ 251,886	$ 256,823

In accordance with the recommendations of Public Sector Accounting Board, government transfers and developer contributions-in-kind related to capital acquisitions are required to be recognized as revenue in the consolidated financial statements in the period in which the tangible capital assets are acquired.

19. Expenses by Object

	2010	2009
Salaries and benefits	**$ 623,232**	$ 598,576
Goods and services	**324,119**	314,746
Amortization	**165,857**	155,382
Interest	**46,233**	49,588
Other expenses	**25,197**	32,141
	$ 1,184,638	$ 1,150,433

20. Property and Liability Insurance

The City purchases comprehensive insurance coverage for property and liability with a self-insured retention level of $250 thousand per claim for most of the policies. The City has established an Insurance Reserve Fund (Note 14) that enables the City to carry a large self-insured retention level which mitigates the effect of poor claims experience in any given year. The balance of the reserve as at December 31, 2010 is $3.7 million (2009 - $1.6 million).

21. Segmented Information

The City of Winnipeg is a diversified municipal government institution that provides a wide range of services to its citizens, including police, fire, ambulance, public transit and water. For management reporting purposes the City's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

City services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Protection

Protection is comprised of the Police Service and Fire Paramedic Service departments. The mandate of the Police Service department is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The Fire Paramedic Service department is responsible for providing fire suppression service; fire prevention programs; and training and education related to prevention, detection or extinguishment of fires. It is also responsible for pre-hospital emergency paramedical care and the transport of sick and injured; for handling hazardous materials incidents; for the mitigation of calamitous incidents; and for the evacuation of people when in charge at an incident.

Community Services

The Community Services department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as fitness and aquatic programs. It provides public services that contribute to healthy communities through partnerships, promotion, prevention, protection and enforcement such as insect control and the regulation of food service establishments. The department also contributes towards the information needs of the City's citizens through the provision of library services.

Planning

The Planning, Property and Development department provides a diverse bundle of services. It manages urban development for business interests, environmental concerns, heritage matters, local neighbourhoods and the downtown through city planning, community development, parks and riverbank planning. It ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes and building standards. It facilitates economic development by providing services for the approval of all land development plans, the processing of building permit applications and the provision of geomatics services, as well as providing cemetery services to citizens.

Public Works and Water

The Public Works department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, the maintenance of parks and open space, and street lighting.

Transit System Fund

The Transit department is responsible for providing local public transportation service.

21. Segmented Information (continued)

Water and Waste Funds

The Water and Waste department consists of three distinct utilities - water, wastewater and solid waste disposal. The department provides drinking water to citizens of Winnipeg, collecting and treating wastewater, and providing collection, disposal and waste minimization programs and facilities for solid waste. Their land drainage and garbage collection operations are reported in the General Revenue Fund and are included in the Public Works and Water segment.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The General Revenue Fund reports on municipal services that are funded primarily by taxation such as property and business tax revenues. Taxation and payments-in-lieu of taxes are apportioned to General Revenue Fund services based on the Fund's net surplus. Certain government transfers, transfers from other funds, and other revenues have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2. For additional information see the Consolidated Schedule of Segment Disclosure - Service (Schedule 2).

22. Funds Held in Trust

Trust funds administered by the City for the benefit of external parties of $0.6 million (2009 - $0.6 million) are not included in the consolidated financial statements.

23. Comparative Figures

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

THE CITY OF WINNIPEG **Schedule 1**

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

As at December 31
(in thousands of dollars)

	General					Infrastructure					Totals	
	Land	**Buildings**	**Vehicles**	**Computer**	**Other**	**Plants and Facilities**	**Roads**	**Underground and Other Networks**	**Bridges and Other Structures**	**Assets Under Construction**	**2010**	2009
Cost												
Balance, beginning of year	**$ 189,507**	**$ 532,320**	**$ 302,366**	**$ 132,138**	**$ 140,411**	**$ 788,494**	**$ 1,622,539**	**$ 2,574,935**	**$ 503,753**	**$ 44,957**	**$ 6,831,420**	$ 6,486,115
Add:												
Additions during the year	**8,296**	**31,019**	**28,231**	**6,388**	**22,382**	**16,642**	**81,155**	**68,106**	**6,263**	**65,369**	**333,851**	384,110
Less:												
Disposals during the year	**2,163**	**7,172**	**17,053**	**4,681**	**3,563**	**-**	**14,897**	**4,886**	**-**	**-**	**54,415**	51,005
Other	**(3,700)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,700)**	12,200
Balance, end of year	**191,940**	**556,167**	**313,544**	**133,845**	**159,230**	**805,136**	**1,688,797**	**2,638,155**	**510,016**	**110,326**	**7,107,156**	6,831,420
Accumulated amortization												
Balance, beginning of year	**-**	**239,842**	**136,506**	**80,163**	**56,578**	**189,044**	**800,880**	**840,943**	**196,110**	**-**	**2,540,066**	2,427,796
Add:												
Amortization	**-**	**18,810**	**20,541**	**11,376**	**11,163**	**15,503**	**43,329**	**35,476**	**9,659**	**-**	**165,857**	155,382
Less:												
Accumulated amortization on disposals	**-**	**5,500**	**15,808**	**4,681**	**2,747**	**-**	**14,784**	**3,242**	**-**	**-**	**46,762**	43,112
Balance, end of year	**-**	**253,152**	**141,239**	**86,858**	**64,994**	**204,547**	**829,425**	**873,177**	**205,769**	**-**	**2,659,161**	2,540,066
Net Book Value of Tangible Capital Assets	**$ 191,940**	**$ 303,015**	**$ 172,305**	**$ 46,987**	**$ 94,236**	**$ 600,589**	**$ 859,372**	**$ 1,764,978**	**$ 304,247**	**$ 110,326**	**$ 4,447,995**	$ 4,291,354

THE CITY OF WINNIPEG **Schedule 2**

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE - SERVICE

For the year ended December 31, 2010
(in thousands of dollars)

	General Revenue Fund									
	Protection	Community Services	Planning	Public Works and Water	Finance and Administration	Transit System Fund	Water and Waste Funds	Other Funds and Corporations	Eliminations	Consolidated
REVENUES										
Taxation	$ 214,964	$ 68,961	$ 1,166	$ 165,259	$ 94,184	$ -	$ -	$ 13,584	$ (7,124)	$ 550,994
Sales of services and regulatory fees	45,559	17,786	20,617	4,520	11,107	68,217	225,697	76,598	(44,937)	425,164
Government transfers (Note 18)	55,280	12,131	3,627	17,796	14,522	36,795	12,676	109,046	(9,987)	251,886
Transfer from other funds	3,926	1,394	14,230	17,725	3,366	68,813	30,353	306,315	(446,122)	-
Other	8,041	2,606	1,419	5,144	7,729	2,173	19,252	80,107	(659)	125,812
	327,770	102,878	41,059	210,444	130,908	175,998	287,978	585,650	(508,829)	1,353,856
EXPENSES *(Note 19)*										
Salaries and benefits	279,700	44,998	20,841	60,458	37,179	82,365	56,996	39,727	968	623,232
Goods and services	32,489	11,831	2,787	101,018	14,827	38,305	78,604	90,609	(46,351)	324,119
Interest	1,575	657	2,375	29,040	5,365	5,238	19,274	51,402	(68,693)	46,233
Transfer to other funds	8,557	36,704	10,213	6,780	50,388	12,349	62,108	156,031	(343,130)	-
Other	5,449	8,688	4,843	13,148	23,149	13,040	34,329	139,265	(50,857)	191,054
	327,770	102,878	41,059	210,444	130,908	151,297	251,311	477,034	(508,063)	1,184,638
NET SURPLUS	$ -	$ -	$ -	$ -	$ -	$ 24,701	$ 36,667	$ 108,616	$ (766)	$ 169,218

For the year ended December 31, 2009
(in thousands of dollars)

	General Revenue Fund									
	Protection	Community Services	Planning	Public Works and Water	Finance and Administration	Transit System Fund	Water and Waste Funds	Other Funds and Corporations	Eliminations	Consolidated
REVENUES										
Taxation	$ 204,598	$ 64,319	$ 7,334	$ 167,054	$ 89,909	$ -	$ -	$ 17,583	$ (16,226)	$ 534,571
Sales of services and regulatory fees	42,295	17,399	15,917	3,917	10,484	65,931	224,380	75,035	(42,115)	413,243
Government transfers (Note 18)	53,068	12,407	4,389	20,321	14,630	49,340	3,787	108,826	(9,945)	256,823
Transfer from other funds	3,363	1,443	8,771	20,358	3,070	78,879	31,839	298,683	(446,406)	-
Other	7,962	2,617	1,221	5,733	12,187	1,295	39,220	75,316	(6,540)	139,011
	311,286	98,185	37,632	217,383	130,280	195,445	299,226	575,443	(521,232)	1,343,648
EXPENSES *(Note 19)*										
Salaries and benefits	265,975	44,159	19,701	59,711	34,326	77,583	52,783	37,336	7,002	598,576
Goods and services	30,651	11,847	3,105	100,952	12,155	36,963	71,017	90,103	(42,047)	314,746
Interest	1,494	363	2,413	36,296	4,805	3,054	20,768	55,607	(75,212)	49,588
Transfer to other funds	7,575	35,520	8,564	4,984	59,011	11,481	50,289	150,693	(328,117)	-
Other	5,591	6,296	3,849	15,440	19,983	10,816	34,311	144,039	(52,802)	187,523
	311,286	98,185	37,632	217,383	130,280	139,897	229,168	477,778	(491,176)	1,150,433
NET SURPLUS	$ -	$ -	$ -	$ -	$ -	$ 55,548	$ 70,058	$ 97,665	$ (30,056)	$ 193,215