Minutes – Executive Policy Committee – March 19, 2009

REPORTS

Minute No. 178 Winnipeg Parking Authority Special Operating Agency – 2009 Business Plan (Selection Report) - Operating Charter amendments eFile GL-5.6.1

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendations of the Alternate Service Delivery Committee and the Standing Policy Committee on Infrastructure Renewal and Public Works and submits the following to Council:

1. That the 2009 Business Plan (Selection Report) for the Winnipeg Parking Authority Special Operating Agency (SOA) including the 2009 budget be approved, and the Financial Projections for 2010 to 2011 as outlined in Appendix A to the report of the Chief Operating Officer, Winnipeg Parking Authority SOA, dated February 10, 2009, be received as information.

2. That City-owned parkade and other betterments, as outlined in Appendix B to the report of the Chief Operating Officer, Winnipeg Parking Authority SOA, dated February 10, 2009, be approved.

3. That parking meter placement, time and rate structure pilot programs as outlined in Appendix E to the report of the Chief Operating Officer, Winnipeg Parking Authority SOA, dated February 10, 2009, be received as information.

4. That the Winnipeg Public Service be requested to report back to the Alternate Service Delivery Committee, within 60 days, on the cost of having an operational review conducted by an outside firm on the Winnipeg Parking Authority SOA.

5. That the Winnipeg Parking Authority SOA Charter be amended to include a Board of Directors comprising of a designate sitting member of the Alternate Service Delivery Committee, the Chief Administrative Officer and the Deputy Chief Administrative Officers.

6. That the amendments to the Voluntary Payment of Fines By-law 789/74, as outlined in Schedule D to the report of the Chief Operating Officer, Winnipeg Parking Authority, dated February 10, 2009, be enacted.

7. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Pursuant to the provisions of the Operating Charters of the Special Operating Agencies, changes to the Operating Charter require approval of two-thirds of the members present at Council.

Minutes – Executive Policy Committee – March 19, 2009

DECISION MAKING HISTORY:

Moved by Deputy Mayor Swandel,

That the recommendations of the Alternate Service Delivery Committee and the Standing Policy Committee on Infrastructure Renewal and Public Works be concurred in and forwarded to Council.

Carried

STANDING POLICY COMMITTEE RECOMMENDATION:

On March 10, 2009, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted its recommendation to the Executive Policy Committee and Council.

COMMITTEE RECOMMENDATION:

On March 6, 2009, the Alternate Service Delivery Committee concurred in recommendation of the Winnipeg Public Service, with the following amendments:

- Add the following as new recommendations
  - That the Winnipeg Public Service be requested to report back to the Alternate Service Delivery Committee, within 60 days, on the cost of having an operational review conducted by an outside firm on the Winnipeg Parking Authority SOA.

  - That the Winnipeg Parking Authority SOA Charter be amended to include a Board of Directors comprising of a designate sitting member of the Alternate Service Delivery Committee, the Chief Administrative Officer and the Deputy Chief Administrative Officers,

and submitted its recommendation to the Executive Policy Committee and Council.

Further on March 6, 2009, the Alternate Service Delivery Committee received from Mr. D. Hill, Chief Operating Officer, Winnipeg Parking Authority SOA, a presentation entitled Winnipeg Parking Authority 2009 Budget dated March 6, 2009, in support of the Winnipeg Parking Authority Special Operating Agency – 2009 Business Plan (Selection Report); By-law Amendments; and Operating Charter amendments

Re: Winnipeg Parking Authority (WPA) Special Operating Agency - 2009 Business Plan (Selection Report); By-law Amendments; and Operating Charter amendments

For submission to: Alternate Service Delivery Committee

Original report signed by: David Hill, COO Winnipeg Parking Authority

Report date: February 10, 2009

Recommendation(s):

1. That the Alternate Service Delivery Committee recommend the following to Council regarding the annual business plan:

    (a) That the 2009 Business Plan (Selection Report) for the Winnipeg Parking Authority Special Operating Agency including the 2009 budget be approved, and the Financial Projections for 2010 to 2011 as outlined in Appendix A, be received as information;

    (b) That City-owned parkade and other betterments, as outlined in Appendix B, be approved.

    (c) That parking meter placement, time and rate structure pilot programs as attached in Appendix E be received as information

2. That the Standing Policy Committee on Infrastructure Renewal and Public Works recommend that the amendments to the Voluntary Payment of Fines By-law, as outlined in Schedule D be enacted.

3. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REPORT SUMMARY

KEY ISSUES:

- The Winnipeg Parking Authority (WPA) is projected to achieve its operating and financial goals for 2008 and is forecasting net profit of $2,432,000. During this time the WPA has completed significant improvements to its operating facilities and services.
- In order to permit the WPA to better manage and generate optimum revenues from on-street parking, pay station pilot programs will be added to some street locations where parking congestion and timed parking restrictions already exist.
- The financial statements for 2007 are attached for information in Appendix H.

IMPLICATIONS OF THE RECOMMENDATION(S)

General Implications:

	None
	For the organization overall and/or for other departments
X	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment(s): Meter pilot program will be extended to several previously un-metered streets

Policy Implications:

X	No
	Yes

Comment(s):

Regulatory Implications:

X	None
	Eliminates or reduces regulatory impact
	Proposes regulatory impact

Comment(s):

Environmental Implications:

X	No
	Yes

Comment(s):

Human Resource Implications:

X	No
	Yes

Comment(s):

Financial Implications:

X	Within approved current and/or capital budget
	Current and/or capital budget adjustment required

Comment(s): Please refer to attached Appendix A for details of financial projections related to the WPA.

REPORT

REASON FOR THE REPORT:

The Winnipeg Parking Authority's (WPA) Operating Charter stipulates that an annual business plan be submitted to Council each year.

Any amendments to by-laws require Council approval.

HISTORY:

The WPA was designated as a special operating agency effective January 1, 2005. The WPA was created to manage City owned on-and-off-street parking resources and parking enforcement, and to advocate, encourage and develop growth in supply and service delivery standards of daily/hourly parking in Downtown Winnipeg.

DISCUSSION:

Summary of Activities in 2008

2008 was the fourth year of operation for the Winnipeg Parking Authority; the consolidation of operations at the Parking Store located at 495 Portage Avenue is now complete.

The initial purchase of new pay station technology has been completed, replacing 96% of single space meters on city streets, improving services to customers, creating the equivalent of 350 additional parking locations and increasing meter revenue by an estimated 28 % over pre conversion values. These new units replace the deteriorating and obsolete mechanical single space parking meters which are no longer manufactured or reparable, as parts are no longer available. The new units make more efficient use of curbside space and provide easier payment for users. The units produce a receipt and display parking time periods and conditions of use more effectively than single space meters.

In accordance with the 2008 business plan, a group of additional Pay Station units is being installed on Waterfront Drive and in the East Exchange District to better manage on-street parking demand. A pay-by-cell phone service was activated in all meter parking areas in 2008. Based on Winnipeg's example, other cities such as Ottawa are now proceeding with similar upgrades.

Parkade permit sales were strong in 2008. The Winnipeg Square parkade was full well into the summer period and during inclement weather. This is the first time a municipal facility has been full into the low demand summer period.

In response to long standing requests from stakeholders, parking meter time period in the downtown was extended to 2 hours resulting in fewer parking tickets issued for overtime parking.

An Expression of Interest was developed to source the potential sale of the Winnipeg Square parkade. Negotiations are currently being conducted by Planning, Property and Development department.

An engineering consultants report identified urgent capital repairs required to stabilize concrete deck supports at the Civic Centre Parkade. Over $500,000 was committed in July towards replacing concrete and re-pinning the Tee supports. The engineers advise that this work will stabilize the structure for five more years. As no funds were expended in 2008 this expense been moved forward to 2009.

2008 Financial Performance

In 2008, WPA expects to generate a net profit from operations of $2,432,000. The financial highlights for 2008 are as follows:

- Gross revenues are expected to be $14,120,000.
- Parkade revenues are expected to be $4,486,000 which is 1.3% lower than budget as continuing demand for the premium municipal parking facilities has resulted in lower turnover of short-term transient spaces.
- Surface lot revenues are expected to be $792,000 which is 1.7% lower than budget due to a reduction in the number of parkers purchasing reserved-style permits.
- Meter revenues are expected to be $2,810,000 which is 10.5% higher than budget due to growing customer satisfaction and utilization of the new pay stations.
- Parking enforcement revenues are expected to be $5,604,000 which is 4.8% higher than budget. Together with increased cash collections of old parking tickets (pre 2006), greater customer attention and faster payment of current tickets due to a more aggressive lien and seizure program, increases offset the current contractor's inability to provide full staffing.
- The dividend payable to the City for 2008 is $3,706,000.
- The Agency's line of credit is expected to be $8,674,000.

Strategic Direction for 2009 and Beyond

The WPA will continue to manage and continuously improve its facilities and services in accordance with its mandate.

Operation of City Owned Parkades

- Monthly and daily rates will be adjusted annually to coincide with inflation and changes in market rates, and to refund costs of maintenance and operations.
- The WPA will continue to provide services and maintenance according to the best practices schedule established by accreditation under the Canadian Parking Association.
- The WPA will continue with the $500,000 of work commissioned in July of 2008, to be invested in replacing concrete and re-pinning the Tee supports.
- The WPA will update the structural and fitted systems status of the Winnipeg Square (if retained), Millennium Library and Civic Centre parkades. A 10 year maintenance plan is being proposed to improve these facilities. The structural repairs commenced in 2008.
- The WPA will continue to provide enhanced physical security upgrades to the parkades replacing lighting units as the old systems fail.

Operation of City Owned Surface Lots

- The WPA will continue to improve signage and maintenance conditions in city-owned surface lots, concentrating on downtown public parking locations.
- The WPA will continue to partner with the Downtown and Exchange BIZ organizations to utilize BIZ clean up crews to improve litter pickup, beautification and simple day to day maintenance activities. This will ensure that the lots and boulevards remain tidy and project a good image for the City.
- The WPA will continue to improve snow removal standards especially for surface lots and in support of emergency operations.
- The WPA will continue deploying security cameras and emergency telephone units to downtown lots where there have been documented safety and vehicle security incidents. This is expected to reduce such incidents and to assist in police investigation.

Parking Infractions and Fines

- The WPA is proposing changes to the Voluntary Payment of Fines By-law as outlined in Appendix D.
- The early payment option for parking over the time limit in a time restricted zone is proposed to increase from $25 to $35.
- Three offences for which no voluntary payment option currently exists are proposed to be added.

Enforcement

- The WPA will maintain enforcement activities at the current level but will continue to expand its direct services to citizens through answering calls for service and providing enhanced enforcement patrols in reported problem areas (Selective Enforcement Requests).
- The Agency will begin to equip its mobile patrols with mobile License Plate Recognition technology as a means of measuring the length of stay of parked vehicles in timed parking or loading areas, managing permitted vehicle inventories in surface lots, and identifying vehicles with outstanding fine payments.

Meters, On-Street Facilities

Parking meter rates have not increased since 1992, when the rate went from $0.75 per hour to $1 per hour.

Current practice in managing City-wide fee structures has been to increase fees at the rate of inflation on a year to year basis. This has not been done with the metered parking rates as there is a significant cost to adjusting the metering equipment, and it is more practical to adjust meter fees in 5 year increments.

Parking meter fees are charged to encourage sharing of curbside space through turnover and to recover some of the cost of operating that space for the municipality. Parking meters or pay stations should be employed in areas where the demand for space is greater than the supply. The objective parking meters or pay stations is to create sufficient turnover resulting in a 10% availability of parking stalls - 1 in 10 stalls are vacant at peak periods.

Off-street parking fees in Winnipeg are now in the range of $1 to $ 2 per half hour. Discounted On Street parking encourages traffic congestion and pollution. It also discourages the construction of off-street parking structures which are more costly to provide. The emerging industry best practice is to price parking meters slightly higher than off-street parking lots. The

WPA will review the suitability of current On Street meter fees with regard to current practices in other cities.

Regulation, By-Laws and Signage

One of the principal roles of the WPA is to champion the improvement of public and private parking facilities for all Winnipeggers and for visitors to the city. The WPA will review the suitability of legislation that governs privately-owned parking facilities with the aim of improving the level of service to the public.

Alternative Transportation

As a supporter of alternative transportation initiatives, the WPA will:

- Assume responsibility for providing appropriate 2-wheeled vehicle (bicycle, scooter and motorcycle) parking in the public right-of-way, and will work closely with Public Works and Planning Property and Development Departments to implement seasonal on- street parking facilities as well as appropriate off-street storage facilities.
- Work closely with Winnipeg Transit to establish and operate Park and Ride Services for commuters where requested.

Development and Redevelopment of Parkades

- The WPA will continue with its parkade infrastructure reinvestment plan focusing on the Civic Centre and Millennium Library parkades, and on the Winnipeg Square facility (if retained).
- The Agency is expecting to spend up to 2 million per year in the period 2009-15 on structural repairs (concrete restoration and waterproofing) while continuing its improvements to day to day operations and maintenance.
- If the Winnipeg Square facility is retained, operating profits will be used to fund repairs to all facilities. If the Winnipeg Square facility is sold, funds from the sale of the property will be used to retire WPA's debt and to deal with deferred maintenance issues.
- A schedule of planned capital repairs to facilities is attached at Appendix B

Economic Development Opportunities

The WPA is investigating several options to encourage private investment in parking structures from parking service providers in downtown Winnipeg. Efforts include:

- Using funds from sales of older facilities to establish modern facilities that can be commissioned, brought on line, and then sold to the private sector; and
- Partnering with private firms for short periods of time to encourage entry into the market place and to diversify the range of services to Winnipeggers. This would be done on a "no cost" or "no competition with industry" basis.

Finances

In 2009, WPA is expected to earn $16,081,000 in total revenue, with operating expenses of $11,672,000.

WPA is proceeding with the parkade infrastructure reinvestment plan beginning with the urgent repairs required at the Civic Centre parkade. The plan would be restore the Civic Centre parkade and also carry out a mid-life restoration of the Winnipeg Square (if retained) and Millennium Library parkades, as recommended in the 2005 structural report.

The pricing of monthly permits in parkades is related to supply and demand for high quality services. Daily rates are maintained at a level consistent with market rates to encourage transient traffic. Demand for premium space continues to grow and is expected to surge with the opening of the new Manitoba Hydro office tower.

It is estimated that collections from old accounts will continue to add cash to the WPA's financial position until 2011. At this time, efforts to collect these accounts will have been exhausted and the remaining collectable outstanding accounts will be deemed collected. Liens are now automatically applied to outstanding accounts early in the collection process resulting in faster payments. The collection of old accounts occurs as newer tickets are paid.

Human Resources

In 2009, the Agency does not envision changes to its staffing levels. A current organization chart is attached in Appendix F for reference.

Training and Succession Planning
The WPA now has sufficient depth of management and supervision to engage in succession planning for all positions. While some planning will be limited by seniority considerations in collective agreements, key personnel will receive training and exposure to advanced operational concepts as utilized by WPA, as well as theory and best practice concepts as utilized in other cities and in the industry, so as to continue to provide a flexible and progressive service in the event of extended absences. Training programs are available through the Canadian Parking Association and the International Parking Institute.

Performance Measurement

Annual performance measures are contained in Appendix G.

Challenges

The major challenge facing the WPA remains the renewal, replacement, and construction of its major facilities while delivering valuable and progressive operational services to the public.

Conclusion

This annual business plan for 2009 builds on the success of the WPA's first three years of operation and drives toward the dual goals of service improvement and revenue generation that were established in Council's Downtown Parking Policy, the WPA's Operating Charter and the original business plan.

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

Internal Consultation With and Concurrence By:
Corporate Finance Department
Internal Services Department – Legal Services

External Consultation With:
N/A

THIS REPORT SUBMITTED BY:

Department Office of the Chief Financial Officer
Division Winnipeg Parking Authority Special Operating Agency
Prepared by: David Hill, Chief Operating Officer

Financial Impact Statement

Date: December 24, 2008

Project Name:

Winnipeg Parking Authority Special Operating Agency

First Year of Program 2008

	2008	2009	2010	2011	2012
Capital					
Capital Expenditures Required	$ 2,829	$ 2,406	$ 1,501	$ 1,531	$ 1,561
Less: Existing Budgeted Costs	2,500	5	28	-	-
Additional Capital Budget Required	$ 329	$ 2,401	$ 1,473	$ 1,531	$ 1,561
Funding Sources:					
Debt - Internal	$ 329	$ 2,401	$ 1,473	$ 1,531	$ 1,561
External	-	-	-	-	-
Grants (Identify)	-	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	$ 329	$ 2,401	$ 1,473	$ 1,531	$ 1,561
Total Additional Capital Budget Required	$ 7,295				
Total Additional Debt Required	$ 7,295				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Please refer to attached Appendix A for details of financial projections related to the Winnipeg Parking Authority SOA

"Original signed by"

Kevin Boutilier, CMA
Winnipeg Parking Authority

APPENDIX 'A'

Unaudited Financial Statements 2008

Financial Projections 2008-2011

Financial Projections

- Projected Statement of Income and Retained Earnings 2008-2011 12
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Winnipeg Parking Authority - Special Operating Agency
Projected Statement of Operations & Deficit
For the Years Ended December 31
(in thousands of dollars)

	Note	Actual 2007	Council Adopted 2008	Projected Year-End 2008	Variance	2009	2010	2011
Revenues:								
Enforcement	1	5,242	5,347	5,604	258	6,702	6,836	6,973
Parking Fees								
Winnipeg Square Parkade	2	2,431	2,613	2,586	(28)	2,627	2,719	2,814
Millennium Library Parkade		1,157	1,244	1,214	(30)	1,254	1,298	1,343
Civic Centre Parkade		616	662	686	24	730	755	782
Surface Parking Lots	3	790	806	792	(14)	1,019	1,133	1,172
Meters	4	2,494	2,544	2,810	266	3,324	3,553	3,553
Parking Permits		334	341	96	(245)	99	99	99
Winnipeg Square Ground Lease		325	325	325	(0)	325	325	325
Sundry		38	38	8	(30)	1	1	1
Total Revenues		13,427	13,920	14,120	201	16,081	16,718	17,062
Expenses:								
Services								
Parking Enforcement	5	1,912	1,790	2,248	457	3,088	3,149	3,212
Parkade Management	6	471	495	379	(115)	483	492	502
Utilities		834	876	818	(58)	873	896	902
Other Services	7	1,044	1,446	1,613	167	2,283	1,829	1,834
Salaries & Employee Benefits		1,130	1,240	1,298	58	1,347	1,403	1,438
Materials, parts and supplies		986	1,052	894	(158)	1,270	1,293	1,306
Amortization	8	911	1,000	1,007	7	1,336	1,554	1,620
Recoveries		(11)	-	(1)	(1)	0	0	0
Provision for Bad Debts	9	1,173	1,200	96	(1,104)	442	451	460
Debt and Finance Charges		1,258	1,400	1,315	(85)	550	723	614
Total Expenses		9,708	10,499	9,667	(832)	11,672	11,791	11,889
Income before other items and tax equivalency		3,719	3,422	4,454	1,032	4,409	4,928	5,174
Allocated to the City:								
Municipal tax equivalency charge		663	680	665	(15)	680	680	680
Income tax equivalency charge		772	500	500	-	-	-	-
Allocated departmental charges		504	505	456	(49)	460	467	474
Overhead charge		195	203	203	-	-	-	-
Total allocated to the City		2,134	1,888	1,824	(64)	1,140	1,147	1,154
Other:								
Transfer to Land Operating Reserve		48			-			
Loss on Disposal of Assets	10	32	200	198	(2)			
Total Allocation to the City and Other		2,214	2,088	2,022	(66)	1,140	1,147	1,154
Net Income/(Loss)		1,505	1,334	2,432	1,098	3,268	3,781	4,020
Deficit - Beginning		(6,137)	(8,232)	(8,232)	-	(8,070)	(4,802)	(1,021)
Distribution to City	11	(3,600)	(2,270)	(2,270)	-		-	-
		(9,737)	(10,502)	(10,502)	-	(8,070)	(4,802)	(1,021)
Retained earnings (Deficit) - Ending		(8,232)	(9,168)	(8,070)	1,098	(4,802)	(1,021)	2,998

Winnipeg Parking Authority - Special Operating Agency
Projected Statement of Financial Position
For the Years Ended December 31
(in thousands of dollars)

	Actual 2007	Council Adopted 2008	Projected Year-End 2008	Variance	2009	2010	2011
Assets							
Current							
Cash	7	3	5	2	5	5	5
Accounts receivable, net	1,670	1,750	1,995	245	1,995	1,995	1,995
Inventory	155	124	155	31	124	102	82
Prepaid Expenses	-		-	-			
	1,832	1,877	2,155	278	2,124	2,102	2,082
Property, equipment and leasehold improvements	14,661	15,961	16,284	323	17,353	17,300	17,211
	16,493	17,838	18,439	601	19,477	19,402	19,293
Liabilities							
Current							
Due to General Revenue Fund	8,829	10,171	8,674	(1,497)	6,194	3,910	606
Accounts payable and accrued liabilities	648	550	600	50	600	650	700
Vacation payable	106	160	160	-	188	200	215
Unearned revenue and deposits	7	7	7	-	7	7	7
Current portion of long term debt	721	721	815	94	1,643	899	955
	10,311	11,609	10,256	(1,353)	8,632	5,666	2,483
Retirement Allowance	95	104	104	-	113	122	131
Long-term debt	14,147	15,121	15,976	855	15,362	14,463	13,508
	14,242	15,225	16,080	855	15,475	14,585	13,639
	24,553	26,834	26,337	(497)	24,107	20,251	16,122
Capital Deficiency							
Contributed Surplus	172	172	172	-	172	172	172
Deficit	(8,232)	(9,168)	(8,070)	1,098	(4,802)	(1,021)	2,998
	(8,060)	(8,996)	(7,898)	1,098	(4,630)	(849)	3,170
	16,493	17,838	18,439	601	19,477	19,402	19,293

Winnipeg Parking Authority - Special Operating Agency
Projected Statement of Cash Flows
For the Years Ended December 31
(in thousands of dollars)

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES

	Actual 2007	Council Adopted 2008	Projected Year-End 2008	Variance	2009	2010	2011
OPERATING							
Net Income	1,505	1,334	2,432	1,098	3,268	3,781	4,020
Add non-cash items:				-			
Retirement allowance	9	9	9	-	9	9	9
Loss on disposal of assets	32	200	200	-	-	-	-
Amortization	911	1,000	1,007	7	1,336	1,554	1,620
Working Capital from Operations	2,457	2,543	3,647	1,104	4,614	5,344	5,648
Net change in non-cash working capital items	7	(93)	(319)	(226)	59	84	85
Net cash used in operating activities	2,464	2,450	3,328	878	4,673	5,428	5,733
FINANCING							
Due to the General Revenue fund	1,072	1,342	(155)	(1,497)	(2,480)	(2,284)	(3,304)
Distribution (to) from City	(3,600)	(2,270)	(2,270)	-			
Increase (decrease) in long-term debt	(435)	974	1,924	950	213	(1,643)	(899)
	(2,963)	46	(501)	(547)	(2,267)	(3,927)	(4,203)
INVESTING							
Proceeds on sale of assets	480	-	-	-	-	-	-
Purchase of capital assets	-	(2,500)	(2,829)	(329)	(2,406)	(1,501)	(1,531)
	480	(2,500)	(2,829)	(329)	(2,406)	(1,501)	(1,531)
INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(19)	(4)	(2)	2	(0)	(0)	0
CASH AND EQUIVALENTS - BEGINNING	26	7	7	-	5	5	5
CASH AND EQUIVALENTS - ENDING	7	3	5	2	5	5	5

THE CITY OF WINNIPEG
WINNIPEG PARKING AUTHORITY – SPECIAL OPERATING AGENCY
NOTES TO THE FINANCIAL PROJECTIONS
For the year ended December 31

These Financial Projections have been prepared on "business as usual" basis. It does not consider the outcomes associated with the parkade infrastructure reinvestment plan.

Revenue

1. Enforcement

Enforcement revenue is comprised of three areas, current tickets collected in short order (within the month written), collection of accounts receivable on tickets written since 2006 and collection of accounts on tickets written prior to 2005. The pre-2005 tickets are collected on a cash basis.

Enforcement revenue is expected to be higher than budget by $257,000 and 4.8 % due to improved collection processes. Future revenues are calculated anticipating full staffing as per the parking enforcement contract.

2. Winnipeg Square Parkade

Revenue for the Winnipeg Square Parkade is lower than expected as transient parkers are staying for longer periods of time – reducing turnover and revenue. This is projected to stabilize as a result of new rates implemented in September 2008.

3. Surface Parking Lots

Revenue in surface lots is lower than projected due to late approval of new surface lot rates.

4. Meters

Meter revenue is projected to be greater than budget by $ 266,000 and 10.5% due to increased efficiency and utilization of new meter technology.

Wireless and operating expenses relating to the new meter technology will increase.

5. Parking Enforcement

Expenses are above projected due to an increased effort to collect through liens and seizures. This has resulted in additional revenue.

6. Parkade Management

Parkade Management costs refer only to the operation of Winnipeg Square and the Millennium Library parking facilities.

7. Other Services

Costs were higher in 2008 due to increases in items including $100,000 in unbudgeted consulting expenses relating to Parkade valuations and structural evaluations and expenses relating to improving collection efforts to reduce the costs associated with bad debts.

8. Amortization

Increased amortization is a result of Capital Reinvestment into City-owned Parkades and the investment into new pay stations.

9. Provision for Bad Debts

Provision for bad debts is based on 30% of the current year's uncollected fines and 100% of the prior years' uncollected fines. As the Agency is the only Parking Authority accounting for parking offences on a receivable basis, there is no past history or best business practice to refer to in determining an appropriate provision of bad debts. Increased collections from old accounts will partially offset the current year provisions for bad debts. Through increased liens and seizures of progressively more current outstanding fines, the overall allowance of bad debt is expected to decrease.

10. Write Down of Assets

The retirement of the majority of old style meters resulted in the projected write down of $198,000.

11. Distribution to City

The distribution to the City has been broken out into its component parts. It consists of interest charges of 6% on transferred assets (this component is included in the debt & finance charges), the overhead charge, which is 2% of operating expenses, the corporate tax equivalency charge and the net distribution. Total distribution to the City in 2008 was $3.706 million. Commencing in 2009, interest charges on transferred assets, the overhead charge and the corporate tax equivalency charge will no longer be transferred to the City. The breakdown of charges is as follows:

	2007	Budget 2008	Projected 2008	Budget 2009	Budget 2010	Budget 2011
Income tax equivalency charge	772	500	500			
Overhead charge (1)	195	203	203			
Finance charge (2)	733	733	733			
Distribution	3,600	2,270	2,270	-	-	-
Total	5,300	3,706	3,706	-	-	-

APPENDIX B

City-Owned Parkade Betterments

Location		Capital Reinvestment 2009	2010	2011	2012	2013	Total
Millennium Library	**Concrete, Waterproofing and Protection Systems**	**232,100**	**487,242**	**492,384**	**497,783**	**503,182**	**2,212,691**
Civic Centre	**Concrete, Waterproofing and Protection Systems**	**489,600**	**1,013,892**	**1,038,184**	**1,063,691**	**1,089,197**	**4,694,564**
Total	**Total Concrete, Waterproofing and Protection Systems**	**721,700**	**1,501,134**	**1,530,568**	**1,561,474**	**1,592,379**	**6,907,255**

APPENDIX C

Schedule of Fees and Charges

Provided for Information

(Subject to change without notice)

WINNIPEG PARKING AUTHORITY
MAXIMUM FEES AND CHARGES

PRODUCT		FEES			
PARKADES	**DESCRIPTION**	**2008**	**2009**	**UNITS**	**DATE OF LAST REVISION**
MILENNIUM LIBRARY					
PARKING FEE	MONTHLY 12 HOUR RESERVED	$190.00	$225.00	PER MONTH	1/09/2008
PARKING FEE	MONTHLY NON RESERVED	$165.00	$195.00	PER MONTH	1/09/2008
PARKING FEE	MONTHLY NON RESERVED EVENINGS	$65.00	$75.00	PER MONTH	1/09/2008
PARKING FEE	CASUAL DAILY MAXIMUM	$12.00	$12.00	MAX PER DAY	1/09/2008
PARKING FEE	CASUAL EVENING MAXIMUM	$5.00	$7.00	MAX PER EVENING	1/09/2008
PARKING FEE	CASUAL EACH HALF HOUR	$2.00	$2.00	PER 1/2 HOUR	1/09/2008
PARKING FEE	CASUAL LOST TICKET CHARGE	$15.00	$20.00	PER OCCURRENCE	1/09/2008
CIVIC CENTRE					
PARKING FEE	MONTHLY 12 HOUR RESERVED	$175.00	$195.00	PER MONTH	1/09/2008
PARKING FEE	MONTHLY NON RESERVED	$125.00	$140.00	PER MONTH	1/09/2008
PARKING FEE	MONTHLY NON RESERVED EVENINGS	$65.00	$75.00	PER MONTH	1/09/2008
PARKING FEE	CASUAL DAILY MAXIMUM	$12.00	$12.00	MAX PER DAY	1/09/2008
PARKING FEE	CASUAL EVENING MAXIMUM	$5.00	$7.00	PER EVENING	1/09/2008
PARKING FEE	CASUAL EACH HALF HOUR	$2.00	$2.00	PER 1/2 HOUR	1/09/2008
PARKING FEE	CASUAL LOST TICKET CHARGE	$15.00	$20.00	PER OCCURRENCE	1/09/2008
WINNIPEG SQUARE					
PARKING FEE	12 HOUR RESERVED MONTHLY	$245.00	$265.00	PER MONTH	1/09/2008
PARKING FEE	MONTHLY NON RESERVED	$195.00	$212.00	PER MONTH	1/09/2008
PARKING FEE	MONTHLY NON RESERVED EVENINGS	$85.00	$95.00	PER MONTH	1/09/2008
PARKING FEE	CASUAL DAILY MAXIMUM	$12.00	$12.00	MAX PER DAY	1/09/2008
PARKING FEE	CASUAL EVENING MAXIMUM	$5.50	$7.00	MAX PER EVENING	1/09/2008
PARKING FEE	CASUAL EACH HALF HOUR	$2.00	$2.00	PER 1/2 HOUR	1/09/2008
PARKING FEE	CASUAL LOST TICKET CHARGE	$15.50	$20.00	PER OCCURRENCE	1/09/2008
SURFACE LOTS					
URBAN ZONE					
PARKING FEE	MONTHLY 12 HOUR RESERVED	$95.00	$105.00	PER MONTH	1/09/2008
PARKING FEE	MONTHLY NON RESERVED	$75.00	$85.00	PER MONTH	1/09/2008
PARKING FEE	CASUAL DAILY MAXIMUM	$6.00	$8.00	PER DAY	1/09/2008
PARKING FEE	CASUAL EVENING MAXIMUM	$6.00	$8.00	PER DAY	1/09/2008
PARKING FEE	CASUAL EACH HALF HOUR	$0.50	$1.00	PER 1/2 HOUR	1/09/2008
PARKING FEE	CASUAL LOST TICKET CHARGE	$6.00	$8.00	PER OCCURRENCE	1/09/2008

Appendix C *(continued)*

Provided for Information

WINNIPEG PARKING AUTHORITY
MAXIMUM FEES AND CHARGES

PRODUCT		FEES		
PERMITS	**DESCRIPTION**	**2008**	**2009**	**UNITS**
SUBURBAN ZONE				
PARKING FEE	MONTHLY NON RESERVED	$32.00	$34.00	PER MONTH
PARKING FEE	MONTHLY RESERVED	$75.00	$85.00	PER MONTH
METERS				
ON STREET EVENT RESERVED	RESERVED DAILY MAXIMUM	$25.00	$30.00	MAX PER DAY
ON STREET MONTHLY	MONTHLY METERS 3 HR ONLY	$65.00	$70.00	PER MONTH
ON STREET DAYTIME	CASUAL EACH HALF HOUR OVER 2 HRS	$1.00	$1.00	PER HOUR
RESIDENTIAL PERMIT				
RESIDENT	RESIDENT NON RESERVED	$25.00	$25.00	ANNUAL
VISITOR	RESIDENTIAL VISITOR	$0.00	$0.00	

Appendix D

Proposed Amendments to Voluntary Payment of Fines By-law (for approval)

CURRENT	AMENDED TO
Overtime parking Initial charge $ 25; $ 50 after 15 days	Overtime parking Initial charge $ 35; $ 70 after 15 days
No voluntary payment option provided	Abandoned Vehicle Initial Charge $200; $400 after 15 days
No voluntary payment option provided	Parking on wrong side of residential street Initial Charge $ 35; $ 70 after 15 Days
No voluntary payment option provided	On street parking – advertising vehicle, vehicle for sale, vehicle displaying goods Initial Charge $ 35; $ 70 after 15 Days

APPENDIX E

LOCATION OF PAY STATION PILOT PROGRAMS

The WPA is advising of the locations of On-Street pay station pilot programs as follows:

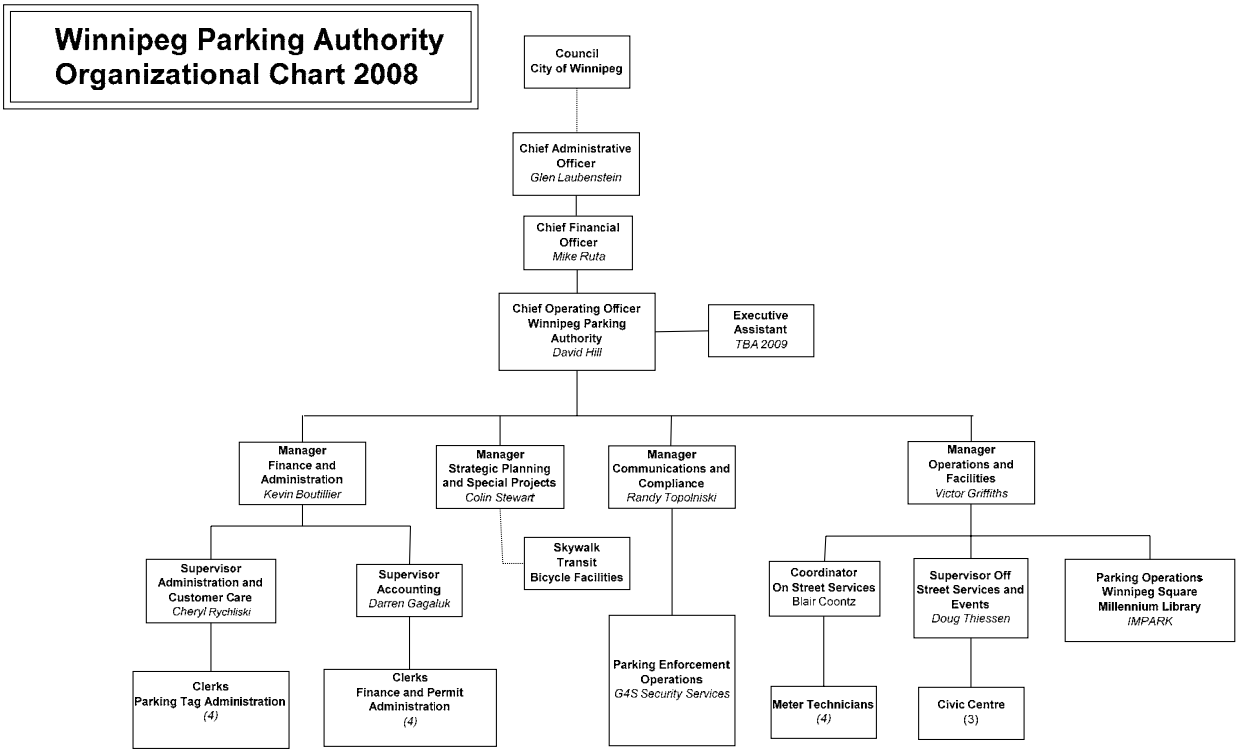
District	Area	Existing Time Limit	Pilot Time Limit	Existing Hourly	Pilot Hourly	Est. Stalls Added
West Exchange	Area bounded by the CPR line, Stanley Street and Rupert and Princess Avenues	2	2	$0.00	$2.00	30
North Downtown	Hargrave Street. North of Cumberland Ave.; William, Alexander, Elgin, and Ross Streets east of the 360 address block	2	2	$0.00	$2.00	60
North Downtown	Ellice Avenue between Garry and Young Streets	2	2	$0.00	$2.00	32
West Centennial	Area bounded by Tecumseh, William, Notre Dame and Arlington Streets	2	4	$0.00	$2.00	60
St. Boniface	Tache Avenue. Between Marion and Rue Despins (pilot successful)	1	4	$1.00	$2.00	12
West Centennial	Area bounded by Notre Dame Avenue, Tecumseh Street, William Avenue and Furby Street.	2	4	$1.00	$2.00	No additional

There is ample off-street parking to support authorized land use in these areas.

Residential Permit (RP) programs are already in place in these areas. RP holders are exempt from time restrictions and meter payment requirements within their residential zone

APPENDIX F

Organization Chart



APPENDIX G

Performance Measures

1. Service Statistics

Off Street Parkades:	
# of parkades	3
# of stalls	1,863
Off Street Parking Lots:	
# of parking lots	113
# of stalls	4,267
On Street Meter stalls:	2,700

	Winnipeg 2006	Toronto 2005	Calgary 2005
Revenue per Stall (%)			
On-Street:	23%	39%	21%
Off-Street:	44%	61%	58%
Enforcement:	33%	N/A	21%
Total	**100%**	**100%**	**100%**

Summary of Parking Offence Notices

Description	Projected 2008		2007		2006		2005	
	Tags	%	Tags	%	Tags	%	Tags	%
Parking Meter Related	40,508	30.2%	38,170	29.90%	33,122	33.30%	37,967	31.40%
Rush Hour	12,234	9.1%	11,975	9.40%	11,479	11.50%	13,947	11.50%
Traffic Control Parking Restrictions	10,688	8.0%	10,104	7.90%	6,972	7.00%	10,275	8.50%
Fire Lane/Handicap/Bus Stop	7,468	5.6%	5,659	4.40%	4,248	4.30%	5,663	4.70%
No Stopping/No Parking	27,707	20.7%	24,367	19.10%	16,378	16.50%	21,195	17.50%
Snow Related	8,068	6.0%	8,870	7.00%	11,007	11.10%	13,997	11.60%
Overtime parking (Residential Restriction)	27,134	20.2%	27,602	21.60%	15,292	15.40%	17,712	14.60%
Unknown	255	0.2%	833	0.70%	970	1.00%	259	0.20%
Total Offence Notices Issued	134,062	100.0%	127,580	100%	99,468	100%	121,015	100%

Description	2003	2004	2005	2006	2007
Number of Parking Offence Tickets Issued	156,118	145,060	121,015	99,468	127,580
Number of Hourly Parkers in Parkades	84,512	95,134	96,100	109,608	145,785
Number of Chronic Offenders for Lien and Seizure	0	0	0	50	237
Number of Special Event Parkers in Parkades	N/A	N/A	N/A	N/A	119,500
Number of Meter Parking Transactions per Annum	1,179,212	1,092,539	1,123,500	1,142,000	1,247,000
Number of Vehicles Ticketed for Snow and Street Maintenance		17,765	15,408	13,327	11,982

Parking meter related, no stopping/no parking and overtime parking (residential restriction) account for approximately 70% of the parking offences.

APPENDIX H

2007 Financial Statements

THE CITY OF WINNIPEG
WINNIPEG PARKING AUTHORITY -
SPECIAL OPERATING AGENCY

STATEMENT OF FINANCIAL POSITION

As at December 31
(in thousands of dollars)

	2007	2006
ASSETS		
Current		
Cash	$ 7	$ 26
Accounts receivable, net	1,670	1,321
Inventory	155	313
Prepaid expenses	-	5
	1,832	1,665
Property, equipment and leasehold improvements (Note 5)	14,661	16,090
	$ 16,493	$ 17,755
LIABILITIES		
Current		
Due to The City of Winnipeg - General Revenue Fund (Note 6)	$ 8,829	$ 7,757
Accounts payable and accrued liabilities	648	450
Vacation payable	106	117
Customer deposits	7	7
Current portion of long-term debt (Note 7)	12,939	12,930
	22,529	21,261
Retirement allowance (Note 8b)	95	86
Long-term debt (Note 7)	1,929	2,373
	2,024	2,459
	24,553	23,720
CAPITAL DEFICIENCY		
Contributed surplus	172	172
Deficit	(8,232)	(6,137)
	(8,060)	(5,965)
	$ 16,493	$ 17,755

See accompanying notes to the financial statements

THE CITY OF WINNIPEG
WINNIPEG PARKING AUTHORITY - SPECIAL OPERATING AGENCY

STATEMENT OF OPERATIONS AND DEFICIT

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

	2007	2006
REVENUES		
Enforcement (Note 9)	$ 5,242	$ 4,482
Parking fees (Note 11a)		
Winnipeg Square parkade	2,431	2,114
Millennium Library parkade	1,157	1,010
Surface parking lots	790	671
Civic Centre parkade	616	572
Meters	2,494	2,284
Parking permits	334	271
Ground lease	325	325
Sundry	38	41
Total Revenues	13,427	11,770
EXPENSES		
Services (Note 11c, g, and i)		
Enforcement	1,912	1,571
Utilities	834	619
Parkade management	471	368
Other	1,044	1,788
Debt and finance charges (Notes 6 and 7b)	1,258	1,026
Provision for bad debts	1,173	1,054
Salaries and employee benefits (Note 8)	1,130	1,078
Material, parts and supplies (Note 11i)	986	957
Amortization	911	747
Recoveries	(11)	(5)
Total Expenses	9,708	9,203
Income before other items and The City of Winnipeg charges	3,719	2,567
OTHER ITEMS		
Loss on disposal of assets	(32)	(366)
Transfer to The City of Winnipeg Land Operating Reserve Fund	(48)	-
Income before The City of Winnipeg charges	3,639	2,201
THE CITY OF WINNIPEG CHARGES		
Overhead charge (Note 11d)	(195)	(191)
Allocated departmental charges (Note 11b, e, and f)	(504)	(652)
Municipal tax equivalency charge (Note 11h)	(663)	(758)
Income tax equivalency charge (Note 10)	(772)	(302)
Net income and comprehensive income for the year	1,505	298
DEFICIT, BEGINNING OF YEAR	(6,137)	(1,591)
Transfer to The City of Winnipeg - General Revenue Fund	(3,600)	(4,844)
DEFICIT, END OF YEAR	$ (8,232)	$ (6,137)

See accompanying notes to the financial statements

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THE CITY OF WINNIPEG
WINNIPEG PARKING AUTHORITY - SPECIAL OPERATING AGENCY

STATEMENT OF CASH FLOWS

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

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:

	2007	2006
OPERATING		
Net income and comprehensive income for the year	$ 1,505	$ 298
Non-cash items related to operations		
Loss on disposal of assets	32	366
Amortization	911	747
Retirement allowance	9	9
Working capital from operations	2,457	1,420
Net change in working capital	7	(180)
	2,464	1,240
FINANCING		
Increase in due to The City of Winnipeg - General Revenue Fund	1,072	5,151
Proceeds from long-term debt	-	2,861
Repayment of long-term debt	(435)	(558)
Transfer to The City of Winnipeg - General Revenue Fund	(3,600)	(4,844)
	(2,963)	2,610
INVESTING		
Proceeds from the sale of capital assets	480	19
Purchase of capital assets	-	(4,016)
	480	(3,997)
DECREASE IN CASH POSITION	(19)	(147)
CASH POSITION, BEGINNING OF YEAR	26	173
CASH POSITION, END OF YEAR	$ 7	$ 26

See accompanying notes to the financial statements

THE CITY OF WINNIPEG
WINNIPEG PARKING AUTHORITY - SPECIAL OPERATING AGENCY

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007
(in thousands of dollars)

1. ***Description of Business***

On March 20, 1997, City Council adopted the Reshaping Our Civic Government document identifying the development of Special Operating Agencies ("SOA") as one of five strategic initiatives needed to create a more affordable City government.

On February 24, 1999, City Council adopted the 1999 Alternative Service Delivery Review Agenda which identified the municipal parking services operations as an Alternative Services Delivery ("ASD") candidate. A feasibility study was subsequently prepared and presented to the ASD Committee.

On December 11, 2002, City Council adopted the recommendation of the ASD Committee that an Operating Charter and Business Plan for a SOA with a mandate to manage and be accountable for city-owned parking resources, be prepared for consideration by City Council.

The Winnipeg Parking Authority - Special Operating Agency ("the Agency") was created effective October 27, 2004 and commenced operations on January 1, 2005.

The Agency manages the parking facilities and related assets owned and previously operated by The City of Winnipeg ("the City"). The intent of the Agency is to provide excellent customer service, maximize the annual return of parking operations, and ensure its long-term sustainability.

2. ***Significant Accounting Policies***

The preparation of periodic financial statements necessarily involves the use of estimates and approximations because the precise determination of financial data frequently depends on future events. These financial statements have been prepared by management within reasonable limits of materiality and within the framework of accounting policies summarized below.

The financial statements have been prepared on the basis of Canadian generally accepted accounting principles ("GAAP") and include the following significant accounting policies:

a) Revenue recognition

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue in the period in which it is earned provided it is measurable and collection is reasonably certain. Expenses are recorded in the period in which they are incurred as a result of receipt of goods or services and the creation of a legal obligation to pay.

b) Inventory

Inventory is recorded at the lower of cost and replacement cost.

2. *Significant Accounting Policies (continued)*

c) Property, equipment and leasehold improvements

Land and equipment were transferred January 1, 2005 from the City at a fair market value as determined by independent consultants.

Property, equipment and leasehold improvements are amortized on a straight-line basis over the estimated useful life of the asset. In the year of acquisition 50% of the applicable amortization rates are used, with the exception of assets transferred from the City. The amortization rates are as follows:

Leasehold improvements	15 Years
Surface parking lots	5%
Parkades	2%
Vehicles	20%
Meters	10%
Equipment	10-20%
Computer	33%
Office furniture and equipment	20%

d) Future accounting policy changes

The Canadian Institute of Chartered Accountants ("CICA") has issued two new standards, CICA 3862, Financial Instruments - Disclosures and CICA 3863, Financial Instruments - Presentation, which enhance the abilities of users of financial statements to evaluate the significance of financial instruments to an entity, related exposures and management of these risks.

The CICA has also issued a new accounting standard, CICA 1535, Capital Disclosures, which requires the disclosure of qualitative and quantitative information that enables users of financial statements to evaluate the entity's objectives, policies and procedures for managing capital.

These changes in accounting policies, which will be adopted effective January 1, 2008, will only require additional disclosures in the financial statements.

3. *Changes in Accounting Policies*

On January 1, 2007, the Agency retroactively adopted, without restatement of prior periods, the CICA Handbook Sections 3855, Financial Instruments - Recognition and Measurement; Section 3861, Financial Instruments - Disclosure and Presentation; and Section 1530 Comprehensive Income.

According to Section 3855, all financial instruments are classified into one of the following five categories: held-for-trading, loans and receivables, held-to-maturity, available-for-sale or other liabilities. Initial measurement of financial instruments is at fair value; subsequent measurement and recognition of changes in fair value of financial instruments depends on their initial classification. The Agency's cash is classified as held-for-trading and the accounts receivable are classified as loans and receivables. Due to The City of Winnipeg - General Revenue Fund, accounts payable and accrued liabilities, and vacation payable have been classified as other liabilities. Financial assets classified as held-for-trading are reported at fair value with changes in fair value recognized in the Statement of Operations and Deficit and transaction costs related to this classification of financial instruments are expensed as incurred. Financial assets and liabilities classified as loans and receivables and other liabilities are measured at amortized cost. The Agency will recognize changes in the fair value of loans and receivables only if realized, or impairment in the value of an asset occurs. The Agency has not classified any financial instrument as held-to-maturity or as available-for-sale. The adoption of the new standard had no impact on the Agency's financial position or on the results of its operations.

3. *Changes in Accounting Policies (continued)*

Section 1530 provides guidance on the reporting and presentation of comprehensive income. Comprehensive income is the change in the retained earnings of the Agency during a period from transactions and other events and circumstances from sources other than from the City. It includes all changes in deficit during a period except those resulting from investments by the City and distributions to the City. Other comprehensive income comprises revenues, expenses, gains and losses that, in accordance with primary sources of GAAP, are recognized in comprehensive income, but are excluded from net income. The adoption of this standard had no impact on the Agency's deficit as at January 1, 2007.

Effective January 1, 2007, the Agency also adopted CICA Section 1506, Accounting Changes. The new standard allows for voluntary changes in an accounting policy only when the changes result in the financial statements providing reliable and more relevant information, requires a change in accounting policy to be applied retroactively and calls for enhanced disclosures about the effects of changes in accounting policies, estimates and errors on the financial statements. It includes the disclosure, on an annual basis, of a description and the impact on the Agency's financial results of any new primary source of GAAP that has been issued but is not yet effective. The adoption of the new standard did not have an impact on the Agency's financial position or on the results of its operations.

4. *Financial Instruments*

It is management's opinion that the Agency is not exposed to significant interest, currency or credit risks arising from its financial instruments. The book value of the Agency's financial assets and liabilities approximates their fair value.

5. *Property, Equipment and Leasehold Improvements*

	Cost	Accumulated Amortization	Net Book Value 2007	2006
Land	$ 73	$ -	$ 73	$ 172
Leasehold improvements	413	64	349	376
Parking surfaces	79	10	69	103
Parkades	10,700	642	10,058	10,272
Vehicles	92	54	38	62
Meters	3,942	667	3,275	4,055
Equipment	827	182	645	748
Computer equipment	342	279	63	176
Office furniture and equipment	176	85	91	126
	$ 16,644	$ 1,983	$ 14,661	$ 16,090

6. *Due to The City of Winnipeg - General Revenue Fund*

The City of Winnipeg operates a centralized treasury function with a single operating bank account in the General Revenue Fund. Consequently, the Agency does not have a bank account. Bank transactions are credited or charged to the "Due (to)/from" account when they are processed through the bank. Interest is charged or credited based on the City's average short-term earnings (cost of funds) on the single bank account. The December 31, 2007 effective interest rate was 4.2% (2006 - 4.3%). As well, the Agency has negotiated an operating line of credit up to $6,500 thousand, which it has temporarily exceeded.

Interest paid to The City of Winnipeg General Revenue Fund on the line of credit was $259 thousand for the year.

7. *Long-Term Debt*

	2007	2006
The City of Winnipeg - General Revenue Fund		
Start-up loan, interest at 6%, with no specific terms of repayment	$ **12,218**	$ 12,218
Equipment financing		
Loan repayable $65 thousand per year including imputed interest at 6.9% with a 12 month deferral of first payment	**118**	170
Loan repayable $11 thousand per year including imputed interest at 6.9% with a 12 month deferral of first payment	**20**	29
Loan repayable $482 thousand per year including imputed interest at 6.9% with a 12 month deferral of first payment	**1,265**	1,633
Loan repayable $363 thousand per year including imputed interest at 6.9% with a 15 month deferral of first payment	**1,228**	1,228
Loan repayable $7 thousand per year including imputed interest at 6.9% with a 12 month deferral of first payment	**19**	25
	14,868	15,303
Current portion of long-term debt	**(12,939)**	(12,930)
	$ **1,929**	$ 2,373

a) Principal repayments due within the next five years and thereafter are as follows:

2008	$ 721
2009	793
2010	772
2011	337
Thereafter	12,245
	$ 14,868

b) Interest paid to The City of Winnipeg General Revenue Fund on the start-up loan was $733 thousand (2006 - $733 thousand).

8. *Employee Benefits*

a) Pension

The Agency's employees are eligible for pensions under the Winnipeg Civic Employees' Benefits Program. The Plan is a defined benefit plan. The City of Winnipeg allocates its pension costs to various departments. During the year, $62 thousand (2006 - $59 thousand) of pension costs were allocated to the Agency. An actuarial valuation for the Winnipeg Civic Employees' Benefits Program was made as of December 31, 2006 and has an actuarial surplus.

8. *Employee Benefits (continued)*

b) Retirement allowance

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). The costs are actuarially determined using the projected benefit valuation method pro-rated on services and reflects management's best estimate of retirement ages of employees, salary escalation and length of service. In addition, adjustments arising from plan amendment, changes in assumptions, and experience gains and losses are amortized on a straight-line basis over 9.7 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 Agency 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, 2005. The results of this valuation were extrapolated to December 31, 2007.

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

	2007	2006
Retirement allowance - accrued obligation:		
Balance, beginning of year	$ 86	$ 77
Current service cost	5	5
Interest cost	4	4
Net actuarial gain	(2)	-
Balance, end of year	93	86
Unamortized net actuarial gain	2	-
Retirement allowance - accrued liability	$ 95	$ 86

Retirement allowance expense consists of the following:

	2007	2006
Current service cost	$ 5	$ 5
Interest cost	4	4
	$ 9	$ 9

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

	2007	2006
Valuation interest rate	4.70%	4.50%
General increases in pay	3.00%	3.00%

9. *Enforcement Revenue*

Prior to 2005, enforcement revenue was accounted for using the cash basis of accounting by the City. At January 1, 2005 a gross enforcement receivable was estimated at $12,182 thousand, which was assumed by the Agency, and a corresponding allowance for doubtful accounts set up. The Agency will recognize revenue as these accounts are recovered. Collections of pre-2005 citations amounted to $573 thousand (2006 - $691 thousand).

10. Income Tax Equivalency

As part of the municipal government, the Agency is not subject to corporate income taxes. However, in order to approximate a business model, the operation of the Agency is assessed with an income tax equivalency charge which is payable to the City based on the following rates:

Small business rate on the first $400 thousand of net income	16.10%
Regular corporate rate on the balance	36.10%

The loss on disposal of assets is excluded from net income for the purposes of the tax calculation.

An amount of $772 thousand (2006 - $302 thousand) has been transferred to The City of Winnipeg General Revenue Fund.

11. Related Party Transactions

The Agency is wholly-owned by the City. Transactions between the Agency and the City are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

a) Revenues include sales of $383 thousand (2006 - $382 thousand) to the City.

b) An amount of $36 thousand (2006 - $28 thousand) for general government charges has been included and paid to The City of Winnipeg General Revenue Fund which represents the estimated share of the City's general expenses applicable to the Agency.

c) In Services, an amount of $113 thousand (2006 - $113 thousand) has been charged by The City of Winnipeg Civic Accommodations Fund for the rental of office space.

d) An amount of $195 thousand (2006 - $191 thousand) has been charged by The City of Winnipeg General Revenue Fund, which represents a transfer to the City as determined by the Corporate Finance Department.

e) An amount of $209 thousand (2006 - $175 thousand) has been transferred to The City of Winnipeg General Revenue Fund for the cost of support services.

f) An amount of $259 thousand (2006 - $449 thousand) has been charged by The City of Winnipeg Building Services Fund for services provided at the various locations.

g) In Services, an amount of $48 thousand (2006 - $47 thousand) has been charged by The City of Winnipeg Transit System Department for coin counting and deposit services.

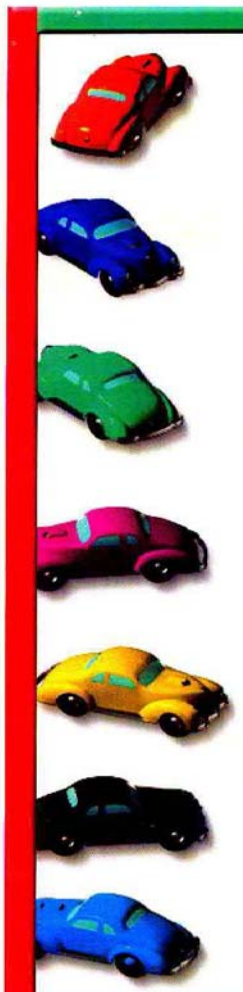
h) An amount of $663 thousand (2006 - $758 thousand) has been transferred to The City of Winnipeg General Revenue Fund for payments-in-lieu of municipal taxes. These charges are based on estimated assessments and the mill rate that would have been applicable had these facilities been privately owned.

i) In Services, an amount of $291 thousand (2006 - $238 thousand) has been charged by The City of Winnipeg Fleet Management - Special Operating Agency for insurance, fuel, maintenance and rental on vehicles owned/leased by the Agency.

j) In Accounts receivable, an amount of $213 thousand (2006 - $111 thousand) is included for parking charges owing from the City.

12. Comparative Figures

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



Winnipeg

Winnipeg Parking Authority
2009 Budget

David Hill MA CAPP
Chief Operating Officer

ASD Committee
March 6, 2009

CPA ACS Facility Standards Normes des Installations
National Standards Award
Canadian Parking Association



Description of Service

- Manage fee-based On and Off-Street parking and City owned public parking facilities (meters, parkades, lots)
- Manage associated facilities where assigned (Skywalk)
- Provide parking related by-law enforcement, collection and enforcement towing citywide
- Focus on providing high quality daily/hourly parking facilities in support of business and community objectives
- Act as internal service provider for city staff parking lots
- Act as the City's internal parking planning and design consultant
- Provide local leadership and encourage private development of parking services in support of public policy objectives.



Key Goals

- Manage a single vision for all On and Off Street public parking
- Continuously improve the quality of facilities and services
- Cooperate with key stakeholder groups to enhance Downtown and other urban areas
- Optimize costs and revenues while maintaining and improving customer satisfaction levels
- Ensure supply of public daily/hourly parking, in preference to monthly parking
- Provide a flexible and fair regulatory program geared to customer needs
- Optimize use of facilities supporting traffic managements and alternate modes of transportation



2008 - Accomplishments

Continuous Improvement Year

- Completed 3rd phase pay station implementation
- Implemented new pay station areas in the East Exchange
- All time periods extended to 2 hrs. to better serve businesses
- Permit sales were strong in all areas
- Developed a pre-purchase coupon system for pay stations
- Implemented a new contract for enforcement services
- Created and implemented a GPS tracking strategy for staff safety
- Began working on deferred maintenance challenges at parkades.
- Partnered with Transit to begin providing a Park and Ride service
- Began selling Transit passes at the Parking Store
- Extended hours at the Parking Store to 6 pm daily



Financial Year End for 2008

Projected- Unaudited

Revenues:

- Enforcement performing above expectation due to new contract
- Collections performing above expectation due to new collection efforts
- Pay stations performing above expectation due to better use of space and popularity
- Permits reducing due to improved cash payment methods

Expenditures:

- Higher expenses due to new enforcement contract (full staffing) and deferred maintenance at Civic Centre
- Overall expenses less than expected

Result:

- A good year Revenues higher, expenses lower than expected
- Deficit has reduced.
- Dividend payable and other offsets to the city in 2008 is 4.8 M
- With elimination of dividend and reinvestment in deferred maintenance, facilities will be repaired and deficit eliminated by 2012



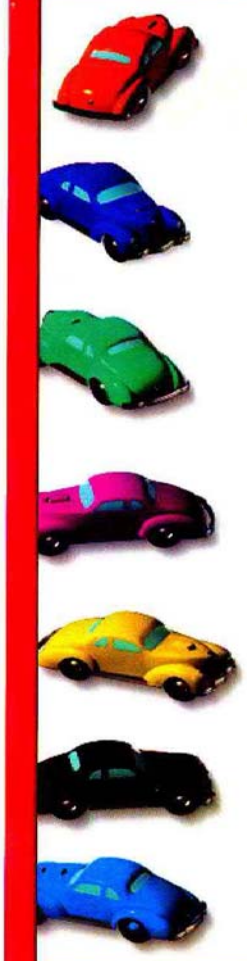
Planned for 2009

- New pay stations in West Exchange and area west of WHSC
- Improve signage in city owned lots
- Continue expanding camera coverage in WPA facilities
- Partnerships with stakeholder organizations
- Continue with improved support for PWD snow removal
- Improve parking facilities for two wheeled vehicles (bikes, etc.)
- Improve Park and Ride Services to Transit
- Market parking coupons through convenience channels
- Work on deferred maintenance in parkades and surface lots
- Introduce ALPR enforcement technology
- Begin working on deferred maintenance obligations



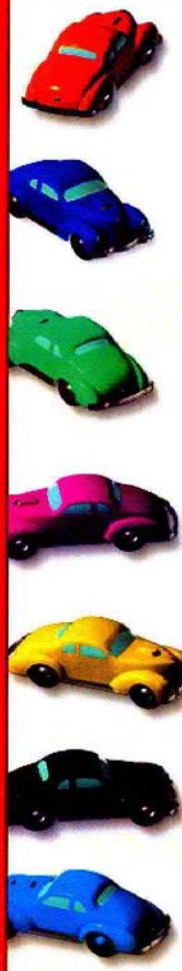
Budget for 2009

Projected Financial Results - 2008-9				
Revenues:	**Budget 2008**	**Projected 2008**	**Variance**	**2009**
Enforcement	5,346.8	5,604.4	257.6	6,702.0
Parking Fees				
Winnipeg Square Parkade	2,613.3	2,585.8	(27.5)	2,626.6
Millennium Library Parkade	1,243.8	1,213.8	(30.0)	1,253.8
Civic Centre Parkade	662.2	686.0	23.8	729.6
Surface Parking Lots	805.8	791.6	(14.2)	1,019.5
Meters	2,543.9	2,809.9	266.0	3,324.2
Parking Permits	340.7	95.9	(244.7)	99.0
Winnipeg Square Ground Lease	325.0	325.0	-	325.0
Sundry	38.0	7.9	(30.1)	1.2
Total Revenues	**13,919.5**	**14,120.3**	**200.8**	**16,080.9**
Expenses:				
Services				
Parking Enforcement	1,790.3	2,247.7	457.4	3,087.7
Parkade Management	494.6	379.5	(115.1)	482.7
Utilities	875.7	818.1	(57.6)	872.7
Other Services	1,446.2	1,613.3	167.1	2,283.2
Salaries & Employee Benefits	1,240.0	1,298.0	58.0	1,347.0
Materials, parts and supplies	1,052.0	894.3	(157.7)	1,270.3
Amortization	1,000.0	1,006.5	6.5	1,336.3
Recoveries	-	(1.2)	(1.2)	0.1
Provision for Bad Debts	1,200.0	96.0	(1,104.0)	442.3
Debt and Finance Charges	1,400.0	1,314.5	(85.5)	550.0
Total Expenses	**10,498.7**	**9,666.7**	**(832.0)**	**11,672.4**
Income before other items and tax equivalency	**3,420.8**	**4,453.6**	**1,032.8**	**4,408.5**



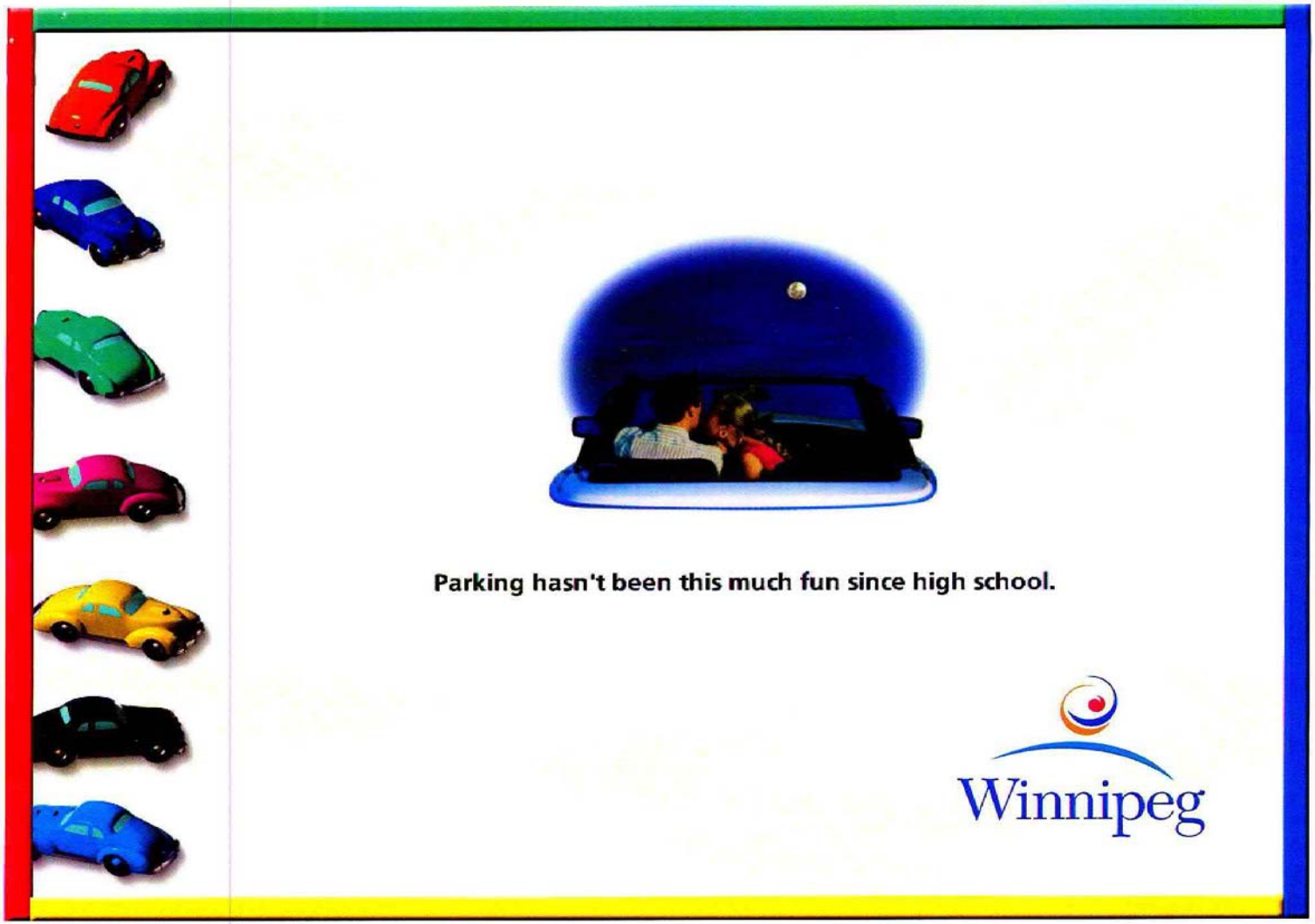
Allocated to City

The Winnipeg Parking Authority **Projected Financial Results - 2008-9**	**Budget 2008**	**Projected 2008**	**Variance**	**2009**
Income before other items and tax equivalency	**3,420.8**	**4,453.6**	**1,032.8**	**4,408.5**
Loss on Disposal of Assets	200.0	197.7	(2.3)	-
Add back Interest on Parkades	733.0	733.0		
Performance before payment to city	**3,953.80**	**4,988.90**	**1,035.10**	**4,408.50**
Allocated to the City:				
Municipal tax equivalency	680.0	665.0	15.0	680.0
Allocated department charges	505.0	456.0	49.0	435.0
Distribution	3,706.0	3,706.0	-	-
Paid to City	**4,891.0**	**4,827.0**	**64.0**	**1,115.0**
Net Profit after payment to City	**(937.2)**	**161.9**	**1,099.1**	**3,293.5**



Longer Term Planning

- New 5 year strategic plan; new goals and responsibilities
- Repair assets, repay debt, new objectives
- Look at meter rates, times, placement, and harmonize to create more available stalls
- Look at existing properties and toward types of facilities needed in the future
- Review planning posture to ensure growth of Off Street market
- Coordinate more with Transit and Active Transport to provide more alternatives



Parking hasn't been this much fun since high school.

Winnipeg