Winnipeg

2022

Annual Financial Report

City of Winnipeg

Winnipeg, Manitoba, Canada



For the fiscal year ended December 31, 2022

City of Winnipeg 2022 Annual Financial Report

Winnipeg, Manitoba, Canada

This annual report for the fiscal year ended December 31, 2022 has been prepared and compiled by the City of Winnipeg's Corporate Finance and Customer Service & Communications Departments.

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Vision, Mission & Values

VISION
A vibrant, healthy, and inclusive city for all Winnipeg residents and visitors.

MISSION
Achieve effective and efficient service delivery through a collaborative, engaged, and value-driven organizational culture.

VALUES
Accountability – as stewards of public assets and the work we do
Diversity – in who we are
Respect – for each individual person
Trust – with elected officials and the residents we serve
Transparency – in all we do

Land & Water Acknowledgement

Winnipeg is located in Treaty One Territory, the home and traditional lands of the Anishinaabe (Ojibwe), Ininew (Cree), and Dakota peoples, and in the National Homeland of the Red River Métis. Our drinking water comes from Shoal Lake 40 First Nation, in Treaty Three Territory.

The City of Winnipeg recognizes the importance of First Nations, Inuit, and Métis Peoples (also referenced in this Report as Indigenous Peoples and governments) connected to Winnipeg's history, and the vibrant, diverse people who make up Indigenous communities today.

The City acknowledges the harms and mistakes of the past, and is dedicated to upholding Indigenous rights, and to moving forward in partnership with Indigenous communities in a spirit of truth, reconciliation and collaboration.



Table of Contents

INTRODUCTORY SECTION

Message from the Mayor 8

City Council
- 15th Council of the City of Winnipeg 10
- 16th Council of the City of Winnipeg 12

City of Winnipeg governance 14
- Openness & transparency 14
- Office of the Integrity Commissioner 15
- Voluntary lobbyist registry 15

City of Winnipeg administration 16
- Statutory officers 16
- 2022 organization chart 17

Consolidated financial results 18

City at a glance 18

Citizen satisfaction survey highlights 19

Message from the Chief Administrative Officer 20

Commitment to reconciliation 22
- Welcoming Winnipeg: Reconciling our history 22
- Indigenous gardens at City Hall 22
- Winnipeg's Indigenous Accord 23

City of Winnipeg service highlights 24
- Election year 24
- Weathering storms 25
- Adding community resources 26
- More affordable housing 26
- More people call Winnipeg home than ever before 27
- Historic developments in the community 27
- Improved customer service 28
- Advancing Transit 28
- Improving accessibility 30
- Caring for our furry companions 30
- Beautifying our city 31
- Keeping Winnipeg green 32
- Sustainable waste practices 32
- Facility upgrades 33
- Removing stigma and improving access 33
- Renewing our programs 33
- Innovating our emergency services 34
- Strength in diversity 35
- Investing in street renewal 36
- Awarded excellence 37

Capital projects 37

Table of Contents Cont.

FINANCIAL SECTION

Report from the Chief Financial Officer
- Financial statement discussion & analysis. **40**

Responsibility for financial reporting. **61**

Independent Auditors' report **62**

Consolidated Statement of Financial Position **64**

Consolidated Statement of Operations and Accumulated Surplus **65**

Consolidated Statement of Changes in Net Financial Liabilities **66**

Consolidated Statement of Cash Flows **67**

Notes to the Consolidated Financial Statements. **68**

STATISTICAL SECTION

Five-year review **98**

CITY CONTACT INFORMATION & PHOTO CREDITS **100**

Introductory Section

Message from the Mayor





Mayor Scott Gillingham
City of Winnipeg

As a citizen, a City Councillor, the Chair of Council's Finance Committee, and now as Mayor, I've always believed that sound, informative financial reporting is crucial to building public trust. This Annual Financial Report is integral to that process, setting out a clear and detailed account of the City of Winnipeg's challenges, opportunities, and priorities over the past year. It also paints a clear and vivid portrait of a community that is resilient, resurgent, and energized by relentless hope for the future.

Where does this hope come from? First and foremost, from our people: Winnipeg's hard-working and well-educated workforce; our innovative, creative, and tireless business community; and the outstanding talents who enliven the professions, the arts and sciences, sports and entertainment, and public service of all kinds, in our community.

Winnipeg's population is growing again. In 2022, the Winnipeg Census Metropolitan Area grew by 13,000 people, and the city itself by over 10,000 – back to pre-pandemic levels of growth. We're looking ahead to future economic growth as well; after an anticipated 0.4% contraction in 2023, Oxford Economics forecasts 3.3% growth for Winnipeg's GDP in 2024.

As a City Council, we are passionate about our role in supporting Winnipeg's recovery. The launch of the multi-year balanced budget process in 2019 was a huge step forward for the City in terms of long-term, sustainable planning, and for the 2023 Balanced Budget Update we improved the transparency of the process by establishing a Budget Working Group with representation from both EPC (Executive Policy Committee) and non-EPC Council members.

I believe strongly in being a civic government that listens. This is especially important in budgeting, because a more open and deliberative process helps build consensus and yields better results for residents. This is what we're striving for with each succeeding Balanced Budget Update, and we've been ably supported in this work by the Winnipeg Public Service. All of us are pleased that the City of Winnipeg's financial planning and reporting continue to be recognized by the GFOA (Government Finance Officers Association), which awarded us the Distinguished Budget Presentation Award for our 2022 Balanced Budget Update, and the Canadian Award for Financial Reporting for our 2021 Annual Financial Report.

In 2022, the City's bond raters continued to express confidence in our prudent, balanced approach to financial management. Moody's Investors Service reaffirmed the City of Winnipeg's rating at "Aa2 stable", and S&P Global Ratings raised the City's rating to "AA+ stable" from "AA." In explaining their decision to upgrade the City's rating, S&P Global wrote that, "Winnipeg's diversified economy will support revenue growth, while its prudent financial management, moderate debt burden, and ample liquidity will help to sustain the city's creditworthiness in the longer term."

That our hope for the future is relentless, and confident, does not mean it is blind. Like all Canadian cities, we're facing inflationary pressures, post-pandemic revenue losses, and global economic uncertainty. As a civic government, we are keenly aware of these challenges, their impact on the City, and the pain they're causing residents. We will continue working to deal effectively with these problems, and promote greater opportunity and inclusion for all Winnipeggers, particularly the most vulnerable.

As Mayor, I've pledged to focus on fighting homelessness, improving public safety, encouraging Downtown recovery, and promoting economic development. Meeting these community needs requires everyone's active participation – and so it is tremendously encouraging to be taking part in renewed dialogue and major initiatives with both the Province of Manitoba and the Government of Canada.

In recent months we've seen progress in identifying funding for major tripartite infrastructure initiatives like the North End Water Pollution Control Centre, and Winnipeg Transit's suite of Investing in Canada Infrastructure Program (ICIP) projects, which will support the electrification of public transit and improve the system's capacity, efficiency, and safety. The Province has announced new funding for the CentrePort Canada Airport Area West regional water and wastewater project; and for much-needed shelter and transitional housing services in the community. As well, we've just concluded a win-win deal with the Province to improve emergency medical response services in Winnipeg.

Indigenous leadership is a source of much of the hope animating Winnipeg today. The Southern Chiefs' Organization project *Wehwehneh Bahgahkinagohn* ("It is visible") will transform the former Hudson's Bay Company Building into a space for affordable housing, and economic and social reconciliation. The Treaty One First Nations' agreement with the City, *Gaawijijigemangit* ("Working Together in Partnership") will help ensure the necessary services to support the operations of Naawi-Oodena, Canada's largest Urban Reserve – and the jobs and prosperity that come with it.

The City of Winnipeg's 2023 Balanced Budget Update invests in a range of initiatives to support community safety, customer service, economic development, and Winnipeg's infrastructure and natural assets. Just a few highlights include:

- An investment of $155.8 million in road renewals in 2023;
- An investment of $26.3 million in Winnipeg's tree canopy in 2023;
- An investment of $17.6 million in Active Transportation projects;
- An investment of $2.8 million in trade corridors, including the Chief Peguis Trail extension and Kenaston Boulevard widening;
- Expansion of the Business Tax rebate threshold, keeping 55% of businesses off the rent-based business tax roll;
- An annual investment increase of $1 million in additional 24/7 safe spaces for unhoused residents;
- Annualized grant funding of $250,000 for the Downtown Community Safety Partnership;
- City deployment of Provincial funding to launch a new Transit Safety Initiative;
- A 25% increase in the funding level for 311 to enable recruitment of new staff and improve retention of existing staff; and,
- Gradual restoration of transit service to 100% of pre-pandemic capacity over the course of 2023.

Winnipeggers express a relentless spirit of hope partly because that's who we are by nature – but partly also because we have, realistically, so many good things to be hopeful about. I am honoured that the people of our city have given me this unique opportunity to serve as Mayor, and I look forward to working with Council, staff, and residents to realize as many of our community's hopes as we can in the years to come.

2018–2022

15th Council of the City of Winnipeg Members and appointments

(As at November 1, 2022)



Mayor Brian Bowman
Chairperson, Executive Policy Committee



Matt Allard
ST. BONIFACE
Chairperson, Standing Policy Committee on Infrastructure Renewal and Public Works



Jeff Browaty
NORTH KILDONAN
Chairperson, Standing Policy Committee on Innovation and Economic Development



Markus Chambers
ST. NORBERT – SEINE RIVER
Acting Deputy Mayor



Ross Eadie
MYNARSKI
Deputy Speaker



Scott Gillingham
ST. JAMES
Chairperson, Standing Policy Committee on Finance



Cindy Gilroy
DANIEL MCINTYRE
Chairperson, Standing Policy Committee on Property and Development, Heritage and Downtown Development



Kevin Klein
CHARLESWOOD – TUXEDO – WESTWOOD



Janice Lukes
WAVERLEY WEST



Brian Mayes
ST. VITAL
Chairperson, Standing Policy Committee on Water and Waste, Riverbank Management and the Environment

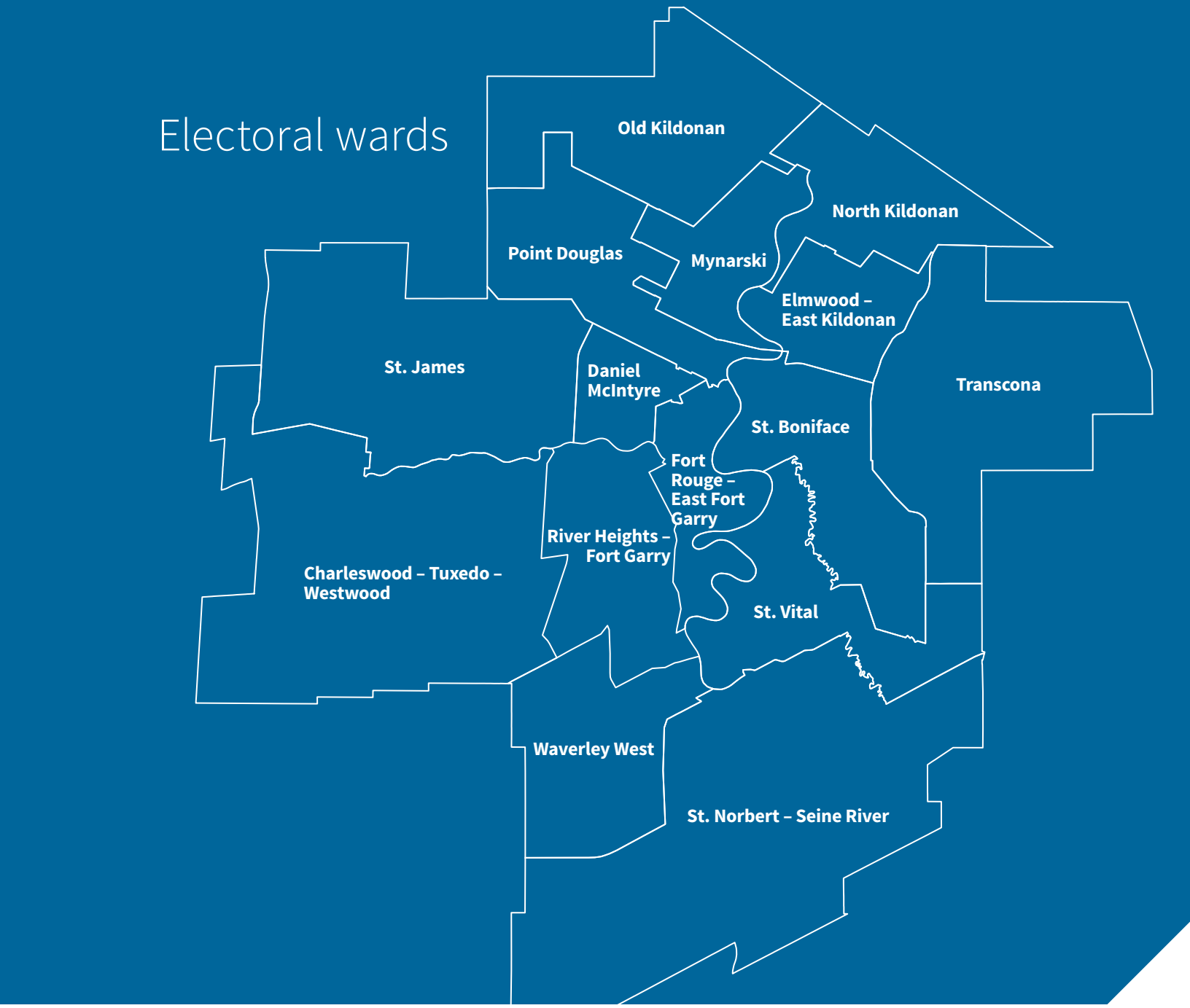


Shawn Nason
TRANSCONA



John Orlikow
RIVER HEIGHTS – FORT GARRY
Deputy Mayor

Electoral wards





Sherri Rollins
FORT ROUGE – EAST FORT GARRY
Chairperson, Standing Policy Committee on Protection, Community Services and Parks



Vivian Santos
POINT DOUGLAS



Jason Schreyer
ELMWOOD – EAST KILDONAN



Devi Sharma
OLD KILDONAN
Speaker

2022–2026

16th Council of the City of Winnipeg Members and appointments

(As at December 31, 2022)



Mayor Scott Gillingham
Chairperson, Executive Policy Committee



Matt Allard
ST. BONIFACE



Jeff Browaty
NORTH KILDONAN
Chairperson, Standing Policy Committee on Finance and Economic Development



Markus Chambers
ST. NORBERT – SEINE RIVER
Acting Deputy Mayor



Ross Eadie
MYNARSKI
Deputy Speaker



Shawn Dobson
ST. JAMES



Cindy Gilroy
DANIEL MCINTYRE



Evan Duncan
CHARLESWOOD – TUXEDO – WESTWOOD



Janice Lukes
WAVERLEY WEST
Chairperson, Standing Policy Committee on Public Works
Deputy Mayor



Brian Mayes
ST. VITAL
Chairperson, Standing Policy Committee on Water, Waste, and Environment

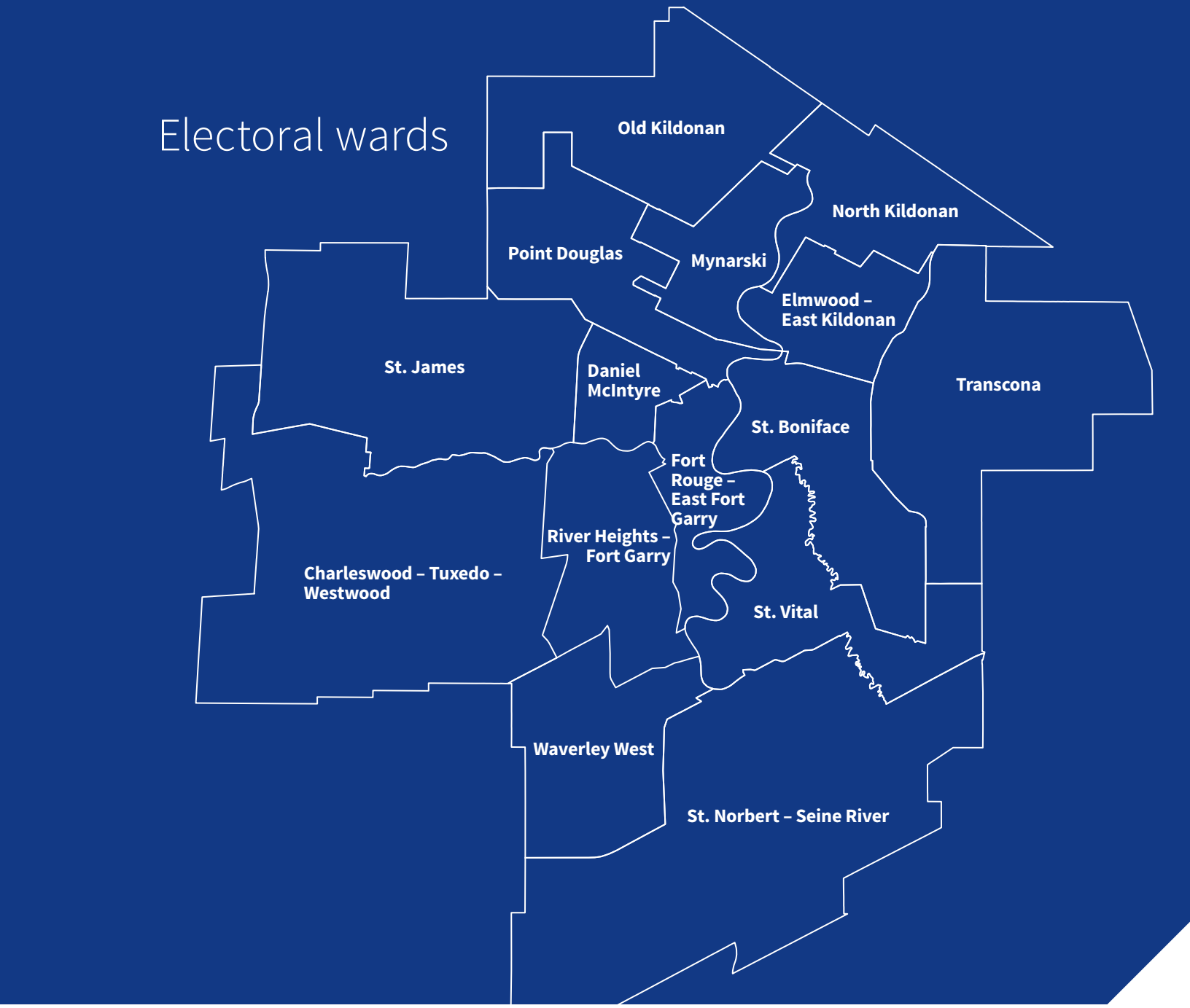


Russ Wyatt
TRANSCONA



John Orlikow
RIVER HEIGHTS – FORT GARRY
Chairperson, Standing Policy Committee on Community Services

Electoral wards





Sherri Rollins
FORT ROUGE – EAST FORT GARRY
Chairperson, Standing Policy Committee on Property and Development



Vivian Santos
POINT DOUGLAS



Jason Schreyer
ELMWOOD – EAST KILDONAN



Devi Sharma
OLD KILDONAN
Speaker

City of Winnipeg governance

City Council ("Council") is the governing body of the City of Winnipeg ("City") and the custodian of its powers, both legislative and administrative. The City may exercise only those powers granted to it by legislation.

Policymaking at the local level is limited and controlled by provincial government statute. The *City of Winnipeg Charter* ("Charter") provides the majority of powers and authority to the City. However, other statutes extend additional authority to Council in its decision-making process.

The composition of Council is legislated under Part 3 of the Charter and consists of 15 Councillors and the Mayor. Each Councillor represents an individual ward while the Mayor is elected by a vote of the city-at-large. Members of Council are accountable to the people of Winnipeg, and hold office for four-year terms.

Councillors have a dual role: they are members of Council, where decisions affecting the whole city are made; and members of the Community Committees, where decisions affecting local community issues are made.

Council exercises its powers either by bylaw or resolution passed at a regular or special meeting when a quorum is present.

Pursuant to the Charter, Council has the authority to establish committees of Council, and Council may delegate a power, duty, or function to a committee of Council.

Currently, there are five standing committees of Council whose chairpersons are appointed by the Mayor. These are the Standing Policy Committee on:

- Community Services
- Finance and Economic Development
- Public Works
- Property and Development
- Water, Waste and Environment

These standing policy committees provide policy advice to Council, and consider and report to Council through the Executive Policy Committee ("EPC") on matters respecting their areas of jurisdiction.

The standing policy committee chairpersons and the Mayor collectively form EPC, with the Mayor chairing the committee. EPC formulates and presents recommendations to Council respecting policies, plans, budgets, bylaws, and other matters that affect the city as a whole; ensures the implementation of policies adopted by Council; recommends to Council the appointment, suspension, or dismissal of statutory officers; supervises the Chief Administrative Officer; co-ordinates the work of committees of Council; and receives reports of other committees of Council and forwards them to Council with its own recommendations.

OPENNESS & TRANSPARENCY

The Council-approved City of Winnipeg *Open Government Policy* provides a framework to continue to move towards being more open, transparent, and accountable.

The key objectives of the policy are to:

1. Establish greater trust in government;
2. Ensure better outcomes at less cost;
3. Raise compliance levels;
4. Ensure equity of access to public policy making;
5. Foster innovation and new economic activity; and
6. Enhance effectiveness by leveraging knowledge and resources of residents.

Winnipeggers seeking to be more engaged with their local government have more tools than ever at their disposal to access information and become involved in the political process. Council and committee meetings, as well as Board of Revision hearings are live-streamed online and are recorded for later viewing. Hansard and disposition documents created for, and shared through the Decision Making Information System are available in machine-readable format.

Residents are able to register as delegations where they can provide opinions and feedback on matters before committees and Council.

One of the objectives set out in the Open Government Policy is to proactively release information through open data. Open data is information that is widely available in a format that can be read by a computer and is made available for anyone to use, transform, or republish without restriction. It normally only requires that the data source be cited. The practice of providing open data must respect all legislation and regulations regarding freedom of information and protection of privacy. In total, the City released 8 new datasets throughout 2022.

As part of its commitment to greater transparency and accountability, the City also publishes records of interest to the public both proactively and in response to requests submitted under The Freedom of Information and Protection of Privacy Act ("FIPPA"). The City processed 1,073 FIPPA applications in 2022, which marked a 12% increase from the 957 FIPPA applications processed in 2021.

In an effort to remove barriers and improve access to information for members of the public, the City launched a new digital submission form to request City records under FIPPA that can be filled out online. The online form, available in both French and English, offers an alternative to submitting a printed form either by mail or in-person at the City's Access and Privacy Office.

OFFICE OF THE INTEGRITY COMMISSIONER

The Integrity Commissioner forms an important part of the accountability framework which has been put in place for members of Council.

The Integrity Commissioner reports to Council through the Governance Committee except when presenting investigative reports where a member of Council has been found to have breached the Code of Conduct, in which case the Integrity Commissioner reports directly to Council.

The Office of the Integrity Commissioner was established to provide a transparent, accessible, and open process through which Councillors and members of the public may report, or receive information on perceived conflicts of interest by a sitting member of Council.

The Integrity Commissioner is appointed by Council for a minimum two-year renewable term, and is required to publish an annual report of their activities. Their role is to assist members of Council in understanding their ethical obligations under The *Municipal Council Conflict of Interest Act* and Code of Conduct, to identify areas of possible conflict and to provide Councillors with advice on preventing conflicts and breaches of ethical conduct from occurring.

The Integrity Commissioner is also mandated to investigate complaints made about members of Council which relate to alleged violations of conflict of interest requirements, and any bylaws and policies relating to ethical conduct, including the Code of Conduct.

The authority to investigate matters raised relating to members of Council falls to the Integrity Commissioner; however, they do not have the authority to investigate City employees whose activities are currently covered by the City's *Employee Code of Conduct*.

VOLUNTARY LOBBYIST REGISTRY

The voluntary lobbyist registry was created to publish information on any meetings where an individual representing a financial or business interest, or the financial interest of a not-for-profit with paid staff, communicates with a member of Council or a City employee, to try and influence a decision on governmental matters, outside of the standard process.

The Integrity Commissioner has oversight of the registry and is responsible for reviewing any future changes to the registry process.

The Integrity Commissioner's activities are fully described in the Annual Reports issued, at
winnipeg.ca/integritycommissioner

City of Winnipeg administration

The City's administration is comprised of a number of civic departments and special operating agencies ("SOAs") which provide a variety of services, including the areas of public safety, transportation, environment, planning and development, and leisure and wellness.

STATUTORY OFFICERS

Council appoints four statutory officers: Chief Administrative Officer, Chief Financial Officer, City Clerk, and City Auditor.

The Chief Administrative Officer is the administrative head of the City, and advises and informs Council on the operation and affairs of the City. They also ensure policies and programs are implemented; provide input on behalf of the administration to Council's goals, objectives, and strategies; supervise the City's employees responsible for the care of the City's real property and other assets; and approve and coordinate administrative reports to the Standing Policy Committees, EPC, and Council, among other responsibilities.

The Chief Financial Officer reports to the Chief Administrative Officer, the Mayor, and City Council. In addition to supervising the operations of Corporate Finance and Assessment and Taxation, the Chief Financial Officer monitors the financial status of the City and provides advice on fiscal policy and strategy.

The City Auditor is independent of the City's Public Service. They conduct examinations of the operations of the City and its affiliated bodies to assist Council in its governance role of ensuring the Public Service's accountability for the quality of stewardship over public funds and for the achievement of value for money in City operations.

Independent of the City's Public Service, the City Clerk supports the work of Council, EPC, Standing Policy Committees, Community Committees, the Mayor and Mayor's Office, and members of Council, as well as liaises with the Chief Administrative Officer and senior administrators.

Two senior executive officers report directly to the CAO – the Chief Financial Officer and Deputy Chief Administrative Officer.

The Deputy Chief Administrative Officer supports the overall responsibilities of the CAO and is also responsible for the delivery of special projects impacting several operational areas within the Public Service. These include affordable housing and supporting Winnipeg most vulnerable residents; integration of City services with external stakeholders; and, acting as a direct support to the City's emergency measures.

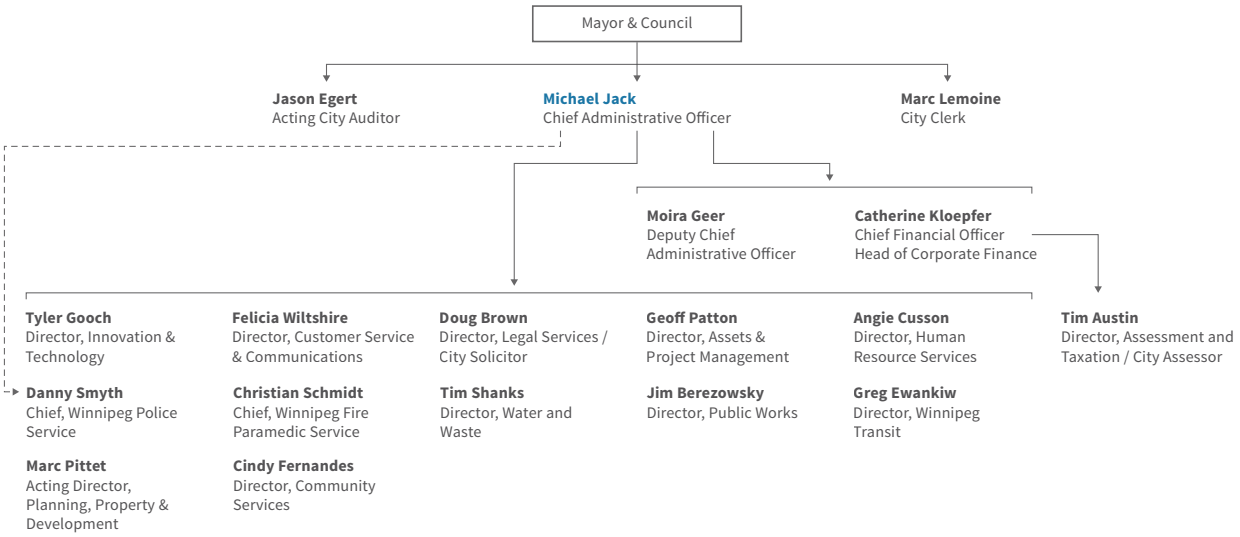
The following departments are direct reports of the CAO:

- Assets & Project Management
- Community Services
- Customer Service & Communications
- Human Resource Services
- Innovation & Technology
- Legal Services
- Planning, Property & Development
- Public Works
- Water and Waste
- Winnipeg Fire Paramedic Service
- Winnipeg Transit

The Chief of the Winnipeg Police Service reports directly to the Winnipeg Police Board and has a working relationship with the City in respect of administrative matters, such as financial, human resources, and asset management.

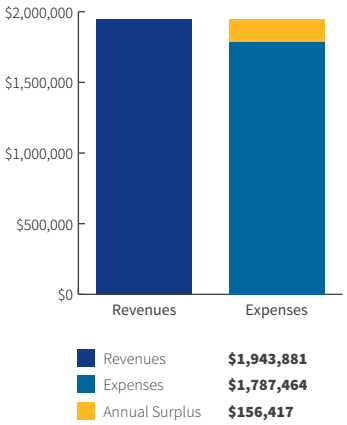
2022 ORGANIZATION CHART

(As at December 31, 2022)



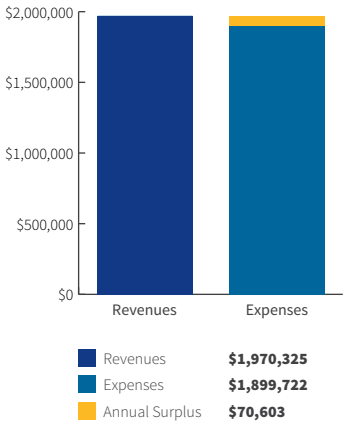
Consolidated financial results

BUDGET 2022



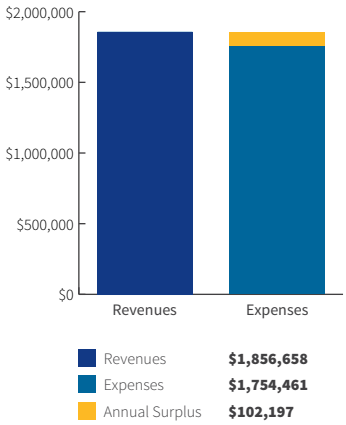
Revenues	**$1,943,881**
Expenses	**$1,787,464**
Annual Surplus	**$156,417**

ACTUAL 2022



Revenues	**$1,970,325**
Expenses	**$1,899,722**
Annual Surplus	**$70,603**

ACTUAL 2021



Revenues	**$1,856,658**
Expenses	**$1,754,461**
Annual Surplus	**$102,197**

Note: "$" amounts in thousands of dollars

City at a glance

783,096¤ | Population

10,161¤ | Annual population change *(2021-2022)*

38.1¤ | Median age

$45.2 billion+ | GDP

7.8%¤ | CPI

$50,390+ | Personal income per capita

441,600¤ | Labour force

420,600¤ | Employment

4.7%¤ | Unemployment rate

$313,590* | Average home assessment

$1,900* | Average municipal property taxes *(excluding school taxes)*

4,781‡ | Housing starts

315,465¤ | Total households

5,148* | Total residential permits issued

2,536* | Total non-residential permits issued

$1,190 million* | Residential permit values

$950 million* | Non-residential permit values

¤ Statistics Canada

+ Oxford Economics (Spring 2023)

‡ CMHC Starts and Completions Survey (2022)

* City of Winnipeg

Citizen satisfaction survey highlights

The City conducts an annual citizen satisfaction survey to solicit opinions on its performance in the delivery of key services. In 2022, 600 Winnipeggers, aged 18 and older, provided their thoughts on what the City is doing well and what needs improvement.

88% rate **quality of life** as very good or good

73% rate being very or somewhat satisfied with **customer service** provided by the City*

59% rate **value of tax dollar** as very good or good

Citizen satisfaction with City services

81% rate being very or somewhat satisfied with **City services**



63%
are very satisfied or somewhat satisfied with **snow removal**



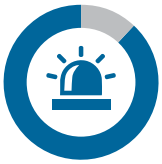
90%
are very satisfied or somewhat satisfied with **condition of major parks****



70%
are very satisfied or somewhat satisfied with **efforts in crime prevention**



82%
are very satisfied or somewhat satisfied with **City-operated recreation programs****



88%
are very satisfied or somewhat satisfied with **fire and rescue response to fire emergencies**



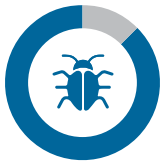
81%
are very satisfied or somewhat satisfied with **quality of drinking water**



84%
are very satisfied or somewhat satisfied with **garbage collection**



84%
are very satisfied or somewhat satisfied with **animal services**



84%
are very satisfied or somewhat satisfied with **insect control**

To see more results from the survey, please visit: **winnipeg.ca/citizensatisfaction**

* Those who indicated they have contacted the City

** Those who indicated they have used the service

Message from the Chief Administrative Officer



Michael A. Jack
Chief Administrative Officer

In many ways, 2022 was a watershed year for members of the Winnipeg Public Service. Mask and vaccine mandates came to an end in City facilities and workplaces, in harmony with provincial public health orders. Staff worked for months to prepare the City for the 2022 Municipal Council and School Boards election, on October 26. And the inaugural meeting of Winnipeg's 16th City Council in November marked a new beginning for all of us.

The Office of the City Clerk ensured that the election – the single largest customer service effort in our organization's history – was conducted fairly, transparently, and smoothly. The help of about 2,000 election workers was required, including some former staff and volunteers; there were a total of 41 races, and 195,530 ballots cast, including 41,895 advance ballots. In an era when elections processes are sometimes called into question, Winnipeg's was notable for its calm and civility.

As the City prepared for the 2022 civic election, the Public Service was also involved in helping Council realize a long-standing goal: development of an entirely new process to establish a Strategic Priorities Action Plan. Through a series of detailed discussions with Councillors, a suitable process was established, and was ready for use by the new Mayor and Council once they took office in November.

The draft 2023 Strategic Priorities Action Plan represents a new way of doing business for the City of Winnipeg. It engages all Councillors in leading policy development and delivery, while enlisting the professional expertise of staff, reflected in a document that focuses priorities for the next four years. It will help us ensure that our work in future planning and budgeting is aligned with Council's direction and existing Council policies and master plans, and includes five key themes: The Downtown; A Strong Economy; A Livable, Safe, Healthy, Happy City; A Green and Growing City with Sustainable Renewal of Infrastructure; and A City that Works for Residents Through Improved Customer Service.

Throughout 2022 and beyond, City staff have worked to improve civic services and contribute to the community's recovery in innumerable practical ways. I wish you could have seen in person, as I did, the commitment of these dedicated public servants – but the "Service Highlights" section of this Annual Financial Report will give you some idea of the scope and significance of what they achieved.

We believe that the City's assessment and taxation processes should be as transparent and accessible as possible. We extended the 2023 Residential Preview Program from two weeks to 11, handling 2,643 appointments and 311 inquiries related to preliminary residential assessments. And we're working on a Request for Proposals for improved technology to replace the current Computer Aided Mass Appraisal System – in the interest of providing fair, open, and understandable property valuations and classifications.

The integrity, efficiency, and equity of financial processes matter to us. We're implementing a Sustainable Procurement Action Plan, which ensures inclusive opportunities for Equity Groups. We developed a manual to improve goods and services contract administration, and we're working with partners in the construction industry to ensure our contract terms and conditions are fair. As well, we're planning to enhance our use of MERX to allow for more digitization of our procurement process.

Customer service matters to us. We redesigned the City of Winnipeg website to make it more accessible and mobile friendly. We enhanced 311's online functionality by introducing a number of new self-service forms for common requests, like those related to neighbourhood by-law compliance, and requests to fill potholes; these forms now go directly to the staff responsible for dealing with the concern. We're displaying 311 wait times online, and the 2023 Balanced Budget Update allocates additional funding for 311, and for Permits staff.

In early 2022, we embarked on a partnership with the Urban Development Institute, to review and update the City's Development Agreement Parameters. Over 14 months and 60 meetings, we worked to develop recommendations for a more concise, modernized document. We've reduced red tape by streamlining by-law requirements for solar photovoltaic systems, and eliminating the requirement for building occupancy permits, when a new tenant or occupant is the only change. We're launching a review and re-write of the City's Zoning By-Laws, and we're engaging the public and stakeholders in the development of *CentrePlan 2050*.

We believe that recreation is crucial to recovery. In 2022, Council approved the Winnipeg Recreation and Parks Strategies. The City supported Winnipeg's 63 community centres with over $6 million in operating grants, and $2 million for capital improvements. We completed and reopened the St. James Civic Centre, and the Munroe Library. And we're working to rebuild swimming lesson programs after pandemic staff shortages, by offering free lifeguarding training.

We are making a difference to those who need us most in the community. In June 2022 we launched *Amoowigamig*, Winnipeg's first new free-standing public washroom in over 50 years. Emergency Social Services responded to over 76 calls in 2022, and we're implementing important actions set out in the City's Poverty Reduction Strategy, such as the provision of naxolone in City facilities.

Reconciliation and inclusion initiatives are growing in number and significance. The *Gaawijijimangit* Agreement, which provides support for *Naawi-Oodena*, is of generational significance for economic reconciliation. In 2022, the City held a special meeting of Council to receive Indigenous cultural symbols and sacred items for new and permanent display in the Council Chamber. The City's Indigenous Youth Strategy, *Oshki Annishinabe Nigaaniwak*, distributed over $930,000 to assist 12 community partners, and $30,000 to assist youth with their employment goals. And staff convened a number of events to build bridges between Indigenous and newcomer women and youth.

Transit made Winnipeg more accessible for riders by increasing the WINNpass program discount to 50% of a full-fare monthly pass, introducing the new Transit App, and launching the new Priority and Courtesy Seating Policy. The Winnipeg Parking Authority implemented a permanent carshare parking permit program, and Vehicles for Hire launched the Winnipeg Wheelchair Accessible Vehicle (Winnipeg WAV) on-demand centralized dispatch system, which includes an incentive program to encourage more drivers to offer accessible service.

In 2022 the Winnipeg Fire Paramedic Service introduced a new Computer Aided Dispatch System, which offers improved communication and automatic vehicle location functions – increasing responders' safety and improving response times. The first DEFT (Diversity and Equity Firefighting Training) class graduated, and the whole WFPS achieved SafeWork Manitoba certification. (The entire Winnipeg Public Service is now SafeWork certified, a major milestone.)

A final example of staff's work in the past year that I'd like to mention, is the updating and significant reform of the Responsible Pet Ownership By-Law. These reforms provide significant new safeguards to protect animals in human care, and make Winnipeg a national leader in animal control and welfare.

I'm very proud of Winnipeg Public Service staff, for the diligent, effective, and caring work they did throughout the pandemic; and for their unfailing dedication to service innovation and improvement as we support Winnipeg's recovery. It's a privilege to serve Council and residents with this splendid civic team, and I look forward to what we can accomplish together as 2023 continues.

Commitment to reconciliation

WELCOMING WINNIPEG: RECONCILING OUR HISTORY

Council passed a motion to adopt the Welcoming Winnipeg: Reconciling our History Policy in 2020. This policy was developed to guide the City in making decisions regarding requests to create new, add to or remove/rename historical markers and place names and resolve the absence of Indigenous perspectives, experiences, and contributions in the stories remembered and commemorated. The policy proactively uses a lens of balance, inclusion, and Indigenous perspectives.

Requests and any accompanying feedback are considered by the Welcoming Winnipeg Committee of Community Members in making a recommendation to Council. The committee is guided by values and principles established in the Welcoming Winnipeg policy. These include honouring the original peoples of this land and their descendants, that the Treaty Relationship be upheld, that Indigenous Rights are respected, and that traditional Indigenous laws, ceremonies and ways of being are recognized and affirmed.

As of the end of 2022, the committee had made recommendations on nine requests. Two of these recommendations accepted by Council in 2022 were the renaming of Theodore Niizhotay Fontaine Park at the former Wellington Park, and the renaming of Rooster Town Park at the park located at Pan Am Pool.







INDIGENOUS GARDENS AT CITY HALL

As part of the City's commitment to reconciliation, three Indigenous gardens were planted at City Hall in 2022.

Five years after the release of the Truth and Reconciliation Commission's ("TRC") Calls to Action on May 28, 2021, we learned of the tragic discovery of the recovered remains of 215 children buried at the site of the former Kamloops Indian Residential School. This would turn out to be the first of many discoveries of children who have been found buried at residential schools across Canada, which has exposed and educated many Canadians to this part of our history.

For the City, 2022 marked the first year that the Orange Heart garden was planted in City Hall's courtyard. The intent of this garden is to honour the memory of the Survivors and family members of residential school systems, and in memorial for all the children who didn't make it home.

A flower garden and medicine gardens were also planted at City Hall. The flower garden honours the Medicine Wheel, which is used as a holistic teaching tool. It consists of four quadrants that relate to the cardinal directions: East, South, West, and North. Each direction is represented by specific teachings and emblems, such as four colours, four seasons, and the four stages of life. The circle symbolizes and resembles many cycles in the natural world and is a symbol of equity – all my relations.

The medicine garden was also planted to honour the Medicine Wheel, and to grow Sacred Medicines associated with directional teachings. There are four Sacred Medicines: Tobacco, cedar, sage, and sweetgrass. These are traditional medicines that have physical qualities for medicinal purposes, and a spiritual aspect used in traditional healing and ceremonies.

Care and attention are given when harvesting the plant to leave behind the plant's roots so that the plant can continue to grow year after year. These gardens will be replanted annually at City Hall for Winnipeg residents to observe and enjoy.



WINNIPEG'S INDIGENOUS ACCORD

Unanimously adopted by Council in 2017, Winnipeg's Indigenous Accord sets out the City of Winnipeg's Vision, Commitments and Principles in building an ongoing process of reconciliation in Winnipeg. It is rooted in the creation and fostering of mutually respectful partnerships with Indigenous Peoples, along with the engagement of multiple sectors, organizations, groups and individuals across Winnipeg to extend these relationships.

On June 28, 2022, 26 additional local organizations and businesses joined the City of Winnipeg and the other 196 signatories in their commitment to the ongoing Journey of Reconciliation in Winnipeg by formally becoming partners of the Indigenous Accord at a signing ceremony held at Oodena Celebration Circle located at The Forks. These signatories brings the total number of Accord partners to 222 and demonstrates a strong community commitment to Winnipeg's Journey of Reconciliation.

The Accord guides our shared commitment to the Journey of Reconciliation in Winnipeg, and is rooted in the Truth and Reconciliation Commission's ("TRC") 94 Calls to Action and more recently the Missing and Murdered Indigenous Women, Girls, and Two-Spirited ("MMIWG2S+") Calls for Justice, and is guided by the commitments and principles contained in the Accord.

City of Winnipeg service highlights

In some ways, 2022 marked a return to what many residents would have considered "normal" before the start of the COVID-19 pandemic. And in other ways, 2022 marked an opportunity to adapt and improve the way the City operates and delivers services.

Public health orders continued into 2022 with vaccine requirements and indoor mask mandates in place. As those mandates were removed by the Province of Manitoba in March 2022, the City outlined changes to its operations, programs, and services.

The City followed in step with the Province and lifted vaccine requirements to enter City facilities or to participate in programs. In addition, the mandatory testing program for City employees who had not provided proof of vaccination or were granted an exemption or accommodation ended. To that point, approximately 97% of the City's front-line employees had provided proof of being fully vaccinated, which was well-above the provincial average of individuals who had received at least two doses.

The City lifted mask mandates for members of the public in facilities and on Transit buses in March, also in step with the Province's removal of mask mandates; however, masks continued to be strongly recommended for the public and remained in-use by City employees serving the public.

During the pandemic, approximately 1,800 City employees worked remotely part-time or full-time, as their operational or personal needs required. In the fall of 2021, a Flexible Workplace Committee was tasked with recommending a framework for remote and hybrid work arrangements. The outcome of the committee's work was the development of a Flexible Workplace Program, which launched in May 2022.

Recognizing that technology provided many new capabilities, the Flexible Work Program allowed department managers to permit remote and hybrid work arrangements with employees that considered their experiences working from home and the requirements of their position.

ELECTION YEAR

A free and fair election is a characteristic of a healthy democracy. However carrying out an election for a municipality the size of Winnipeg is a significant feat for the Public Service, led by the City's Clerk.

In accordance with provincial legislation, the City of Winnipeg held a municipal election on October 26, 2022, to elect its 16th Council. An election requires the Public Service to coordinate enough staff, volunteers, and other resources required to allow every eligible citizen of Winnipeg the chance to participate in selecting the Mayor and Council. That feat is always significant and requires a lot of planning, dedication, and the help of around 2,000 election workers.

Eligible voters turned out in record numbers to take advantage of advance voting opportunities across the city. There were 41,895 advance votes cast in the 2022 Municipal and School Boards Election, which is a 5.1% increase from the 39,840 electors who voted at advance polls in 2018, when the previous advance voting record was set.

Advance voting locations were available across the city from October 3-21 in malls, universities, seniors' residences, hospitals, and other convenient locations.





WEATHERING STORMS

Living with the challenges of snowy winters is something that Winnipeg residents know all too well.

The winter of 2021-22 was a particularly challenging one for residents and the Public Service. Over the calendar year of 2022, the City saw a total of 148 centimetres of accumulated snow.

All that snow kept City crews busy. Throughout 2022, the City completed a total of five residential snow clearing operations (including one that began on Dec. 30, 2021) consisting of clearing all roadways, back lanes, sidewalks, and pathways. During a residential snow clearing operation, the City will clear over 7,200 lane kilometres of roadway, over 930 kilometres of back lanes, and over 3,000 kilometres of sidewalks and pathways.

As the seasons turn, accumulated snow leads to flowing waterways, and the City prepared for a potential flood season in 2022 by working to protect properties from rising river levels.

In addition to regularly reviewing flood protection measures, crews remained busy with several activities, including closing river gates, sealing manholes, and filling sandbags. Preparations were also made for temporary and permanent pumping along dikes lining the riverbanks.

City engineers will use the Province of Manitoba's flood updates, as well as its own information, to calculate what river conditions could be seen within Winnipeg and what impact that could have on the city. Notices are hand delivered to properties that could be affected by river flooding. The City provides further instructions directly to property owners who may be required to build a sandbag dike and delivers sandbags to properties identified as needing them. The City provided over 50,000 sandbags to Winnipeggers with another 40,000 available for pickup from one of three locations.

Late spring precipitation caused more concern for home owners in Winnipeg, with heavy rainfall in late April contributing to a rash of basement flooding. During a one-week period in late April, the City's 311 services received over 1,400 storm-related service requests, including 486 requests related to basement flooding and 866 related to flooded streets/ditches.

Changing weather also takes a toll on our roadways, revealing potholes in our roads that keep road maintenance crews especially busy in the spring and early summer. By the end of April 2022, 311 had received over 4,000 requests for service related to potholes and crews had repaired more than 46,000 potholes.

An essential role of the Public Service is to support our most vulnerable residents, especially in times of crisis. As much as snow events are a part of our climate in Winnipeg, as is extreme cold weather events.

The City participates in a working group with key local organizations to support unsheltered Winnipeggers. The City works closely with End Homelessness Winnipeg and sheltering partners during winter months, including through participation on the Extreme Weather Response Committee, to identify needs and planning for supports to the community as required.

Addressing the opposite end of the weather spectrum, the City also offers relief to residents in extreme heat. Leisure centres and City libraries are available to act as 'cooling areas' where the public may come in for relief from the heat and have access to drinking water during operating hours. City indoor pools and outdoor spray pads are also great ways to cool down.

As a pilot project, the City installed three hydration stations during the summer months to allow residents access to clean drinking water. These hydration stations were installed in three locations: at Central Park (near 406 Edmonton St.), on Selkirk Avenue at Powers Street, and at Broadway Neighbourhood Centre.



ADDING COMMUNITY RESOURCES

In May 2022, the City opened the doors of a new downtown public washroom facility aimed at supporting members of Winnipeg's more vulnerable population who will rely on using the facility. The public washroom, given the Indigenous name Amoowigamig, is a washroom facility located at 715 Main St. next to Circle of Life Thunderbird House and provides an important amenity and dignity to area residents.

The City partnered with Ma Mawi Wi Chi Itata Centre to provide staffing and operational support at the facility, providing staffing and monitoring of the site, including safety checks as needed for those using the facility.

The City opened Community Connections in April of 2022, a space within the Millennium Library aimed at connecting individuals with library services and social supports, including items to help meet basic needs. Staffed by Winnipeg Public Library employees, including Community Crisis Workers, Community Connections is designed to be a welcoming space for visitors who may face challenges using the larger library space on their own, or who require additional services not offered in the library. Community agencies are also hosted in the space to further connect visitors with social supports.

MORE AFFORDABLE HOUSING

Affordable housing is a challenge for all large cities, including Winnipeg. The City made progress on a number of partnered funding programs in 2022 to create new affordable housing spaces in Winnipeg.

The City launched the Affordable Housing Now Program in support of local affordable housing projects in March of 2022. The program offers a range of municipal supports for local projects, including tax incentives, grants, and coordination with resources available through the Canada Mortgage and Housing Corporation ("CMHC"). Administered in partnership with CentreVenture Development Corporation, the program provides grants to offset construction and permit fees, offers tax increment financing ("TIF") opportunities, and enables proponents to access existing federal programs that may require support from another level of government. In 2022, the program conditionally approved five projects that will produce 384 dwelling units (198 will be affordable housing).

The City began working with the Government of Canada on the Rapid Housing Initiative in 2020, helping to distribute federal funding to local housing projects for the creation of over 100 new housing units. In 2022, the City announced a third round of funding under the Rapid Housing Initiative.

In 2022, the City launched the Heritage and Economic Development Incentive Program in support of development projects that result in job creation, conservation of heritage buildings, and the redevelopment of downtown surface parking lots. The program provides TIF grants, up to a maximum of $2 million per project, with the $20 million pool of available grant funds split between projects located inside and outside of Winnipeg's downtown.

City of Winnipeg annual population growth



Source: Statistics Canada

MORE PEOPLE CALL WINNIPEG HOME THAN EVER BEFORE

Over the last decade, Winnipeg's population has grown by nearly 100,000 people marking one of the largest periods of population growth in the City's history. Population growth in the city averaged 10,000 people per year from 2010 to 2019, which was largely driven by international migration.

The COVID-19 pandemic greatly slowed population growth in 2020 and 2021, but rate of growth has since returned to pre-pandemic levels with the population growing by an estimated 10,000 people in 2022. Winnipeg's population was estimated to be 783,096 last year, representing an increase of 10,161 from 2021.

The City released new 25-year population projections in 2023, as well as an updated data series in our Open Data portal for the Winnipeg Census Metropolitan Area ("CMA") and Winnipeg.

The updated population projections estimate that the City of Winnipeg's population could reach 1 million people and the Metropolitan Area reach 1.1 million people 25 years from now.

In 2022, Statistics Canada also released results from the 2021 Census which showed Winnipeg's growth rate to be 6.3 per cent over the previous census conducted in 2016. Winnipeg's growth rate between census years was above the provincial rate of five percent and the national rate of 5.2 percent.

The City considers Census and population data in everything from urban planning policies in *OurWinnipeg* to Transit service planning to adjusting ward boundaries, and even library and Leisure Guide programming.

HISTORIC DEVELOPMENTS IN THE COMMUNITY

This past year, the City and Treaty One Nation arrived at the Gaawijijigemangit Agreement, a Municipal Development & Services Agreement that would see the City provide municipal services for a proposed urban reserve at the Naawi-Oodena site (formerly referred to as the Kapyong Barracks), which is expected to be the largest urban reserve in Canadian history.

After years of work between representatives of Treaty One Nation and the Public Service, the proposed Agreement is the result of discussion, review, and analysis of common and best practices across Canada, through the lens of reconciliation.

IMPROVED CUSTOMER SERVICE

The City is always trying to make it easier for residents to find what they need when inquiring about City services or programs.

During 2021, the City experienced an unusually large fluctuation in wait times through the 311 Contact Centre. 311 undertook a number of steps in response to this to reduce wait times in the short-term, and the City further explored options to sustainably reduce wait times and improve overall customer service for Winnipeg residents.

The City presented several initiatives to Council in 2022, including a focus on enhancing online services as a way to alleviate call centre volumes and make information more readily available.

The City has developed a number of online forms for different service requests that don't require a live service representative. There's also been a major website redevelopment project started to assess whether content is service-based and ensure findability of information based on how users interact with the City's website.

There's been key changes to the City's homepage at winnipeg.ca to make that experience more intuitive and user-friendly for visitors to our website.

The biggest change is a new service-based site map divided into the key themes of service & programs, recreation & leisure, people & culture, building & development, and City governance.

The "I want to…" feature and the 311 City services section were also revamped to be easier to use and highlight what you're searching for the most. These changes build on improvements made to the homepage in 2020.

The City also launched the MyUtility online platform in 2022, replacing the former MyUtilityBill. With the updated utilities management platform, customers can set individual reminders for their collection day and special events, such as the City's annual compost giveaway.

A common reason that residents may contact the City is to report a missed recycling or garbage collection or to schedule a pickup for extra garbage or a large item. Those requests have been added to MyUtility, making it easy for residents to submit those requests online.

To help reduce confusion around on-street parking in the busy Exchange District neighbourhood, the City installed new parking signage in early 2022 as part of a two-phased pilot project. The new street-facing regulatory signs have been redesigned with bolder colours and icons to help drivers identify available spaces from their car. The new designs also consolidate multiple regulations into one sign where possible.

The second phase of the pilot includes new parking guides, which face the sidewalk, and are intended to be viewed after parking your vehicle. Based on feedback from the first phase, the guides have been redesigned with clearer layouts, text, and graphics. Patterns were also added to red backgrounds to make the guides easier to read for someone who is colour blind.

ADVANCING TRANSIT

Public transit is most effective when it's convenient and accessible for riders. Winnipeg Transit made strides in both of these facets over 2022 with the introduction of the Winnipeg Transit mobile app and the implementation of the Winnipeg Transit Priority and Courtesy Seating Policy.

The Winnipeg Transit app brings passengers the information they need to plan trips with a new look and feel, and improved functionality when compared to the previous schedule information tools. The new app is Winnipeg Transit's first official service information app, and it is also accessible by browser by visiting winnipegtransit.com. It features familiar favourites like the Navigo trip planner and options to login to personalize your experience by saving trip settings such as favourite stops and routes. It's also bilingual, making it easy for passengers to plan trips and look up schedule information in both French and English.


FORT ROUGE
162 DOWNTOWN
170
HMS 903

IMPROVING ACCESSIBILITY

The Priority and Courtesy Seating Policy, aimed at improving access to Transit for passengers with disabilities, took effect in October 2022. Transit launched a public education campaign to coincide with the policy, advising passengers who are able that they may get a reminder to 'stand up for your fellow rider' when the priority seating area is needed.

Operators play an automated message asking passengers to vacate the Priority Seating Area when it is required by the passengers it is designated for people with disabilities.

The policy now makes it clear that this seating area is to be made available to passengers with disabilities first, whether the disabilities are visible or invisible.

Other passengers who benefit from a seat near the front of the bus, such as seniors, people who are pregnant and those who are travelling with young children, can sit in the courtesy seating area, which in the current bus design are the forward-facing seats located directly behind the priority seating area. Future bus orders will feature a new design with more flexible seating options in the courtesy seating area.

Winnipeggers who rely on wheelchair accessible on-demand vehicles for transportation have a new option for booking their trip with the launch of Winnipeg WAV (wheelchair accessible vehicle). Launched as a two-year pilot program in May 2022, the service allows for a single access point to connect users to vehicles from multiple taxi companies. Users can set their pickup and drop-off locations, and the system will dispatch to the nearest available vehicle.

Winnipeg WAV is designed to decrease wait times and increase the availability of accessible vehicles available in the city. As part of the pilot, financial incentives are available to accessible vehicle driver and owners for participating in the service, and for meeting customer service metrics.

CARING FOR OUR FURRY COMPANIONS

The City implemented changes to the Responsible Pet Ownership By-law in 2022 following a bylaw review involving extensive consultation and public engagement. The by-law had been originally introduced in 2013.

The updates to the bylaw pertain to several categories for owners and businesses. Pet owners have several new responsibilities to keep in mind when caring for their animals. Dogs are now prohibited from being chained or housed outside for extended periods of time, and supervision is required when dogs are outside. There are new requirements related to temperature that help ensure pet safety, such as prohibiting pets from being left unattended in vehicles when it's 22 degrees Celsius or warmer or -10 degrees Celsius or colder (unless vehicle is climate controlled). Also cycling with your dog in temperatures 22 degrees Celsius or above is prohibited to prevent heat exhaustion and burnt paw pads.

Notably, the bylaw now requires dog and cat breeders in Winnipeg to obtain a breeder permit. Dog daycares, which had been generally unregulated, also have new requirements to follow related to safety for staff and pets.

Finding new ways to look after adoptable dogs in Winnipeg, Animal Services partnered with the Winnipeg Fire Paramedic Service to coordinate Station Doggie Dates. It works as an extension of the existing Doggie Dates Program, where members of the public and City staff can take spend time with adoptable dogs or take them for a walk. Station Doggie Dates allows first responder crews to host an adoptable dog in their Fire Paramedic station over the course of a shift. Members socialize with and care for the dogs, kenneling them anytime they leave the hall for an emergency response. The mutually beneficial program helps to increase the morale of first responders and help adoptable dogs to find their forever homes faster.



BEAUTIFYING OUR CITY

Many of Winnipeg's parks are home to colourful and impressive gardens. From perennials to annuals, individual planters to sprawling garden beds, the City's gardens are always something special. The City participated in Canada's Year of the Garden in 2022 by launching a self-guided floral garden tour map, highlighting 23 gardens from all areas of the city that feature unique, sentimental, or particularly flourishing floral displays.

A new illuminating feature was added to the Esplanade Riel over the Provencher Bridge in 2022. New programmable LED lights were installed in the Esplanade Riel, which can illuminate the bridge in any colour imaginable, replacing the original system installed when the bridge was built two decades ago. Each one of the 55 lights on Esplanade Riel can now be digitally programmed to display a specific colour or a lighting sequence, giving a creative new look to one of Winnipeg's most recognized landmarks.

A particularly creative and ambitious project the City completed recently earned Canada's highest award for architecture in 2022, as the Forest Pavilion at Crescent Drive Park was awarded the 2022 Governor General's Medal in Architecture.

The recognition, which is awarded biannually, honours exceptional buildings across Canada and celebrates outstanding project designs by Canadian architects. The pavilion was the only building from Manitoba to be given the honour in 2022.



KEEPING WINNIPEG GREEN

One of the most endearing characteristics of Winnipeg, which is a credit to the age and maturity of our city, is the lush tree canopy that covers many of our oldest neighbourhoods.

The City is developing an Urban Forest Design Strategy, which is a long-term planning document that will guide the protection, preservation, and management of the city's tree canopy. The City shared a draft of the strategy with the public in 2022 to help inform and collect feedback on the plan. The development of this plan is timely, as the urban forest faces increasingly significant loss due to insects and disease as well as mounting pressure from climate change and urban development.

The draft strategy was developed based on both national best practices in urban canopy management and the unique needs of Winnipeg's urban forest, as well as the insights Winnipeggers provided through public engagement.

SUSTAINABLE WASTE PRACTICES

Waste diversion is when our household garbage goes somewhere other than the landfill. Diverting waste from the landfill reduces the impact of solid waste on the environment. The City is committed to increasing the waste diversion rate and doing its part to help prevent climate change. The City launched the Residential Food Waste Collection Pilot Project in October 2020 as a two-year pilot to gauge how to collect food waste from all homes in Winnipeg and if residents feel it is valuable. The program, which included participation by approximately 4,000 households across five neighbourhoods, concluded in September 2022 and helped yield important results and feedback that the Public Service is considering in its final recommendations.

In an effort to provide greater access to food waste collection programs in Winnipeg, the City launched a Compost Support Program in 2022 aimed at supporting organizations able to collect and transport food waste to a licensed compost facility. The financial incentive is intended to encourage organizations to offer this service more widely to Winnipeg residents and to help reduce the amount of food waste entering our landfills.

The City targeted the need for a Recycling Strategy for Apartments and Condos and made progress toward developing a strategy that will help improve waste diversion rates from these residents. Based on information collected by the City, in 2020 only 14 percent of the waste produced by apartments and condos stayed out of the landfill, compared to 31 percent of all waste in the city.

Feedback was collected from Winnipeg residents living in apartments and condos through an online survey and at a pair of open houses hosted by the City. A draft strategy has been developed based on this feedback and final recommendations are expected in 2023.

FACILITY UPGRADES

The St. James Civic Centre initially closed to the public in April 2020 for a major renewal and renovation project. The project was planned in two phases, with phase one focusing on renewing the facility's building systems, including upgrades to the existing mechanical and electrical systems. Phase two includes an expansion of the facility for the St. James Assiniboia 55+ Centre.

Following its closure, the facility officially reopened to the public in September 2022 complete with numerous building system upgrades that will improve the sustainability and quality of the facility. Upgrades completed in phase one include air conditioning added to the recreation and lobby areas, new air handling units installed to improve air quality for all visitors, and motion-sensor lighting controls and new LED lighting were added for significant energy savings.

With the facility reopened to visitors, the City was also able to hold an event in December 2022 recognizing the renaming of the hockey arena at St. James Civic Centre to Ab McDonald Arena and to unveil the new displays curated in partnership with True North Sports + Entertainment. The displays honour the late Ab McDonald, a Winnipeg hockey legend and member of the Winnipeg Jets Hockey Hall of Fame.

The City also began upgrades to Cindy Klassen Recreation Complex beginning in June 2022, with closures to the pool and recreation facilities to allow for mechanical repairs and upgrades. These upgrades were scheduled to wrap up in early 2023.

REMOVING STIGMA AND IMPROVING ACCESS

The City launched a one-year pilot project in October 2022 to offer complimentary menstrual products for the public at eight City facilities located across Winnipeg. These free pads and tampons are being provided to reduce stigma and barriers around menstruation and to make a much-needed basic necessity more easily available to Winnipeg residents. During the pilot, the City will track data, uptake, and assess delivery to determine if the program can be extended or expanded in the future.

RENEWING OUR PROGRAMS

The COVID-19 pandemic caused major disruptions to many of the City's programs and services, as is the case for all municipalities in Canada. While there continues to be a shortage of available lifeguards as a result of intermittent service interruptions over the last two years, the City began providing free training for the position in 2022 with the hope of boosting recruitment and level of programming.

The City also updated its swim education programming in partnership with Lifesaving Society Manitoba. Effective for programs offered in the Winter 2023 Leisure Guide, the City began to exclusively offer the Lifesaving Society's Swim for Life programs. The updated programming is based on the Swim to Survive standard, where Swim for Life focuses on fun for participants and basic survival skills. Swimming lessons are available for children as young as six months and go up to adult lessons for those new to swimming or looking to gain confidence in the water.



INNOVATING OUR EMERGENCY SERVICES

Innovation, and constantly seeking ways to innovate, is an important trait of any organization. The City prioritized opportunities for innovation in 2018 when it launched the Innovation Strategy Program as a way to fund innovative projects carried out by the Public Service. More than two dozen projects have been completed as a result of the program and one conducted by the Winnipeg Police Service gained recognition this past year with a Smart 50 Award given by Smart Cities.

Virtual Police Response ("VPR"), which is a collaboration between the Winnipeg Police Service and the Innovation and Technology Department, allows residents to engage with an officer through video using a smartphone or tablet. An officer will view the crime scene, and determine if additional investigative or forensic resources are required to be dispatched.

VPR reduces the time from a report being filed to an officer being dispatched to the scene from approximately 114 hours to 14 hours, saving critical time in the investigative process. The VPR system improves police response efficiency by bringing police 'eyes' to a crime scene allowing members to immediately assist victims of crime identify and preserve evidence of forensic value.



The Winnipeg Fire Paramedic Service implemented an automated response program in 2022 that has also helped reduce response times in their own operations. In April 2022, WFPS changed to a new computer-aided dispatch ("CAD") system, which ensures 9-1-1 staff and frontline responders can communicate effectively and coordinate a response as quickly as possible.

The new CAD system offers improved communication and automatic vehicle location functions, which in turn increases the safety of frontline responders while also improving response times. It also has newly-developed map and routing tools, which address recommendations made in WFPS's 2020 Strategic Direction. Improved data analysis will assist the department in decision-making and adapting to trends in order to provide better service to residents.



STRENGTH IN DIVERSITY

At the end of September 2022, 16 students became the first-ever graduating class of the Winnipeg Fire Paramedic Service's Diversity and Equity Fire Training ("DEFT") Program.

The WFPS launched DEFT in 2021 to reduce barriers facing prospective firefighters. DEFT is open to applicants in equity groups including women, Indigenous (Metis, Inuit, and First Nations) people, newcomers, racialized people, people who identify as 2SLGBTQQIA+, and people with a disability.

Students accepted into the program receive the same training as students at Manitoba Emergency Service College, but DEFT students train at the WFPS Training academy in Winnipeg on evenings and weekends. Holding the classes on evenings and weekends allows students to train while working or caring for family, both of which can be barriers for potential firefighters. However, training after regular working hours is not easy.

Graduating the program does not guarantee a position with the WFPS, as DEFT graduates are required to apply for a position with the service through the recruitment process. However it does provide education and training commensurate with competing applicants.

INVESTING IN STREET RENEWAL

A well-maintained transportation system promotes economic vitality and a positive city image. As such, the City budgeted $164.7 million towards the Regional and Local Streets Renewal programs in 2022.

Over 38 regional street renewal projects worth $101.2 million commenced in 2022 and the remaining $63.5 million went towards local street renewals, including granular roadway improvements, sidewalk and active transportation renewals, and 60 residential street renewal projects.

2022 roadway construction & maintenance statistics



33.3
(LANE-KM)
Capital rehabilitation of local streets

20.8
(LANE-KM)
Capital reconstruction of regional streets

7.4
(LANE-KM)
Capital reconstruction of local streets

30.3
(LANE-KM)
Roadway transferred from developers

7.4
(LANE-KM)
Capital rehabilitation of regional streets



6,881
(METERS)
Capital addition of pedestrian/ cycle pathways

4,590
(METERS)
Capital renewal of pedestrian/cycle pathways

1,059
(METERS)
Capital addition of sidewalks

32,722
(METERS)
Capital renewal of sidewalks

8,678
(METERS)
Sidewalks transferred from developers

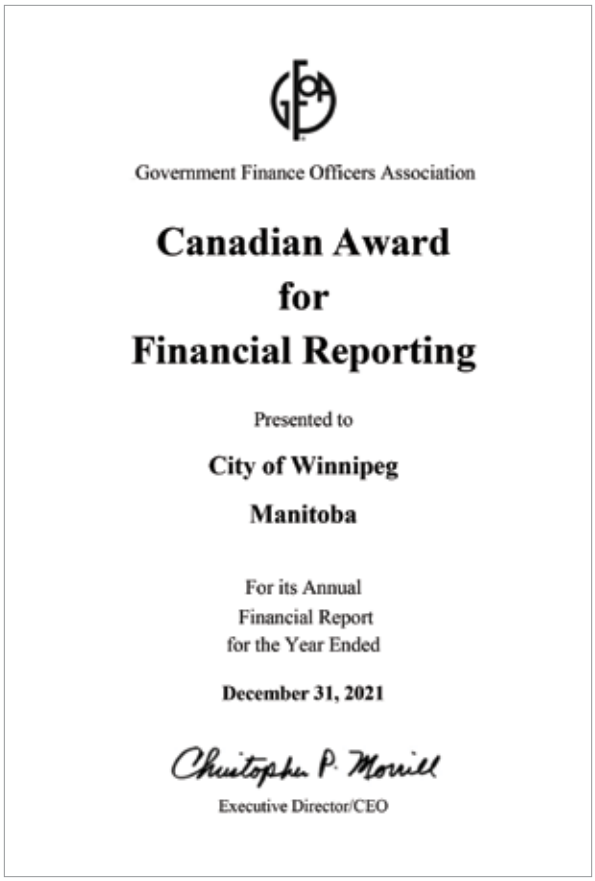
3,198
(METERS)
Pedestrian/cycle pathways transferred from developers

AWARDED EXCELLENCE

Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Canadian Award for Financial Reporting to the City for its annual financial report for the fiscal year ended December 31, 2021. This marks the fifth consecutive year the City of Winnipeg has been recognized with this distinction, beginning in 2017. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

To be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we will be submitting it to GFOA to determine its eligibility for another award.



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

City of Winnipeg

Manitoba

For its Annual Financial Report for the Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

Capital projects

6-year capital investment plan of $2,908.1 million (2022 Budget & 5 year forecast)

$1,089.1
Public Works & local improvements

$568.1
Sewer projects

$586.5
Winnipeg Transit

$311.6
Water & solid waste projects

$109.9
Community Services, Planning, Property & Development, Municipal Accommodations

$73.1
Public safety

$169.8
Land drainage, flood control & other

(In millions of dollars)



Financial Section

December 31, 2022

Report from the Chief Financial Officer

FINANCIAL STATEMENT DISCUSSION & ANALYSIS



I am pleased to present the 2022 Financial Statement Discussion and Analysis. The following discussion and analysis of the financial status and performance of the City of Winnipeg (the "City") should be read together with the audited 2022 consolidated financial statements and their accompanying notes and schedules ("Statements"). Management of The City of Winnipeg is responsible for the preparation of the Consolidated Financial Statements. The Statements are prepared in accordance with Canadian public sector accounting standards for governments, established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

The City received the prestigious Canadian Award for Financial Reporting ("CAnFR") from the Government Finance Officers Association ("GFOA") for its December 31, 2021 annual report for the fifth year in a row. The CAnFR recognizes excellence in government accounting and financial reporting and represents a significant achievement for the City. The award reflects the tremendous effort not only of employees in Corporate Finance, but also of all departments, Special Operating Agencies ("SOAs") and elected officials in producing high quality documents for use by our community.

COVID-19 PANDEMIC

On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19's continuing financial impact is apparent in the City's Statements. With residents working from home, businesses and public facilities closing temporarily to the public and other implications of public health order restrictions, significant revenue losses occurred in 2020 and 2021. Some improvement was seen in 2022, however revenue levels remain below pre-pandemic levels.

COVID-19 Crisis Cash Flow Management Plan

On April 27, 2020, "Addressing the Financial Challenges of COVID-19" was presented to the Standing Policy Committee on Finance. This plan identifies levers the City could use to maintain liquidity and minimize the financial impact of COVID-19. An update to the COVID-19 Crisis Cash Flow Management Plan was presented in 2022, along with a number of updates on the financial implications to the City of the pandemic. In 2022, actions were taken through the Council approved 2022 Budget and subsequent recommendations by the public service including diligence with vacancy management and discretionary spending, 6% reduction in Transit service and additional draws on reserves and SOA's.

On November 25, 2021, Council approved the COVID-19 Economic Response and Recovery Plan Framework. The objectives of this two-year plan are to promote job and economic growth, equity and resiliency to:

- Assist the sectors with the most pandemic induced negative economic impact;
- Stimulate growth in the downtown; and
- Use available levers to accelerate servicing of employment lands.

The longer-term goal is to strengthen and revitalize the Winnipeg economy, which in turn will contribute to the re-building of the Financial Stabilization Reserve.

The COVID-19 Economic Response and Recovery Plan is a combination of strategies that include grants, policy amendments, process improvements as well as collaboration and advocacy strategies that also encourages private investment and development.

FINANCIAL REPORTING MODEL

The objective of financial statements is to describe to the user the organization's financial position, the results of its operations and the methods by which the economic resources for its various activities have been derived and consumed. The Statements provide information about the economic resources, obligations and accumulated surplus of the City:

Consolidated Statement of Financial Position	Provides information to describe a government's financial position in terms of its assets and liabilities as at the end of the reporting year.
Consolidated Statement of Operations and Accumulated Surplus	Provides information on a government's current year operations and the related achievement of objectives for the reporting year. It also describes the change in accumulated surplus.
Consolidated Statement of Changes in Net Financial Liabilities	Provides information regarding the extent to which expenditures made in the year are met by the revenues recognized in the current year.
Consolidated Statement of Cash Flows	Provides information about the impact of a government's activities on its cash resources in the current year.

FUNDS, ENTITIES AND INVESTMENT IN GOVERNMENT BUSINESSES

The Statements are consolidated to reflect all resources and operations controlled by the City. These Statements include City departments, SOAs, utility operations, entities that are controlled by the City and the City's investment in government businesses. The following is a brief description of the major funds, entities and investments included in the Statements.

Funds

A fund is used to report on resources that have been segregated for specific activities or objectives. The City, like other local governments, establishes these funds to demonstrate accountability of the resources allocated for the services the particular fund delivers.

The General Revenue Fund reports on tax-supported operations, which include services provided by the City, including police, fire, ambulance, recreational activities and street maintenance. The General Capital Fund accounts for tax-supported capital projects. The tax-supported capital program includes the acquisition and/or construction of streets, bridges, parks and recreation facilities. Utility operations are comprised of the Transit, Waterworks, Sewage Disposal, Land Drainage and Solid Waste Disposal Funds. Each utility accounts for its own operations and capital program.

There are four SOA Funds: Animal Services, Winnipeg Golf Services, Fleet Management and Winnipeg Parking Authority.

SOAs have the authority to provide public services, internal services, and regulatory and enforcement programs. SOA status is granted when it is in the City's interest that the service delivery remains within the government, but it requires greater flexibility to operate in a more business-like manner. Each SOA is governed by its own operating charter, and each prepares an annual business plan for adoption by Council.

Council has approved the establishment of several Reserve Funds, which are categorized as:

- Capital Reserves to finance current and anticipated future capital projects, thereby reducing or eliminating the need to issue debt
- Special Purpose Reserves to provide designated revenue to fund the reserves' authorized costs
- Financial Stabilization Reserve to assist in the funding of major unexpected expenses or revenue deficits incurred in the General Revenue Fund

Entities and Investment in Government Businesses

The civic corporations included in the Statements are Assiniboine Park Conservancy Inc., Winnipeg Public Library Board, The Convention Centre Corporation, Winnipeg Arts Council Inc. and CentreVenture Development Corporation. Economic Development Winnipeg Inc. is a partnership with the Province of Manitoba and is proportionately consolidated. The activities of these corporations include economic development, recreation, tourism, entertainment and conventions.

North Portage Development Corporation and River Park South Developments Inc. are included in the Statements as investments in government businesses. The Park City Commons Joint Venture was wound up in June 2022 and the City's equity was distributed, completing this agreement.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

This statement presents information to describe the government's financial position at the end of the accounting year. Such information allows users to evaluate the government's ability to finance its activities and to meet its liabilities and contractual obligations, as well as the government's ability to provide future services. To this end, governments need to understand the total economic resources they have on hand to deliver services. These resources can be financial (e.g., cash, accounts receivable) and non-financial (e.g., tangible capital assets).

Governments also have liabilities for service delivery to be settled in the future that will consume the financial resources. This is measured by the government's net financial asset/liability position. This measure is considered in tandem with accumulated surplus to determine the government's ability to deliver services in the future. A significant portion of accumulated surplus includes the investment made in tangible capital assets which, for governments, represent service delivery capacity.

(in thousands of dollars)		**2022**		2021		**Variance**
Cash and cash equivalents	**$**	**857,804**	$	909,496	**$**	**(51,692)**
Other financial assets		**763,502**		750,551		**12,951**
Financial assets		**1,621,306**		1,660,047		**(38,741)**
Liabilities		**2,630,414**		2,543,193		**(87,221)**
Net financial position		**(1,009,108)**		(883,146)		**(125,962)**
Non-financial assets		**8,062,364**		7,865,799		**196,565**
Accumulated surplus	**$**	**7,053,256**	$	6,982,653	**$**	**70,603**

The four key indicators in the Consolidated Statement of Financial Position are cash resources, net financial position, non-financial assets and accumulated surplus.

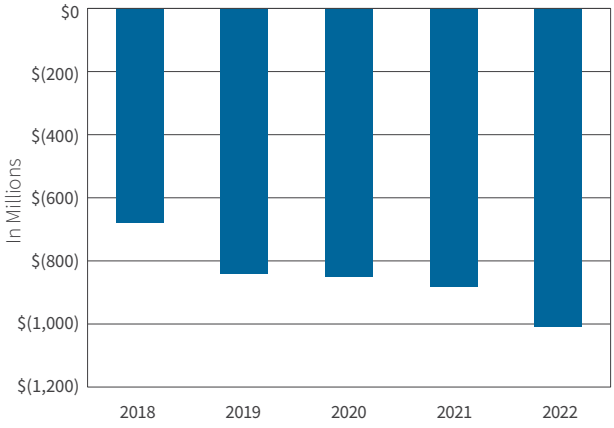
Cash Resources

The City's cash resources are cash and cash equivalents. Cash includes cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are held for meeting short-term obligations rather than for other purposes like investing. During 2022, the City's cash and cash equivalents decreased by $51.7 million. This decrease resulted primarily because cash and cash equivalents used to construct and purchase tangible capital assets and repay debt was greater than the amount of cash generated from operating activities.

Net Financial Position

Net financial position is the difference between financial assets and liabilities and indicates the affordability of additional spending. As at December 31, 2022, the City is in a net financial liability position of $1.0 billion (2021 – $883.1 million), an increase of $126.0 million partially due to the fiscal challenges presented by the pandemic.

NET FINANCIAL POSITION

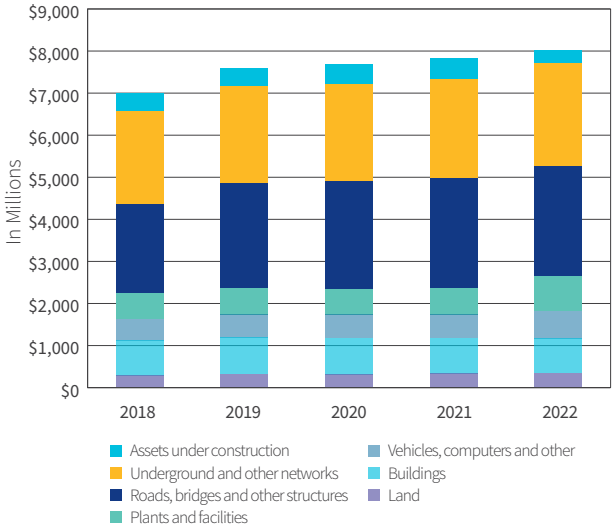


Non-Financial Assets

Non-financial assets of the City are assets that are, by nature, normally for use in service delivery and include purchased, constructed, contributed, developed and leased tangible capital assets, inventories of supplies and prepaid expenses. Tangible capital assets are the most significant component of non-financial assets.

During 2022, the City acquired $494.5 million of tangible capital assets (2021 – $424.1 million), including contributed roads and underground networks totaling $84.8 million (2021 – $63.5 million). Contributed assets are capitalized at their fair value at the time of receipt. Of the assets acquired, $179.3 million was for tax-supported projects (36%). Spending on tax-supported projects was primarily on roads, a priority of Council.

TANGIBLE CAPITAL ASSETS (NET BOOK VALUE)



The City continues to prioritize investing in infrastructure. The acquisition of tangible capital assets is authorized largely through the Council approved capital budget. On December 15, 2021, Council adopted the 2022 annual capital budget and the 2023 to 2027 five-year capital forecast. The six-year plan projected $2.9 billion in City capital projects, with $527.0 million authorized for 2022. The 2022 Budget includes:

- $164.7 million for regional and local street renewal and $11.1 million for waterway crossings and grade separations
- $99.9 million for public transit projects, including $49.8 million for the transition to zero emission buses and $42.5 million for the North Garage replacement
- $77.8 million for sewage disposal collection and treatment systems projects, including $30.0 million for combined sewer overflow and basement flood management strategy
- $33.7 million for waterworks systems projects, including $18.5 million for water main renewals
- $32.9 million for community services, including $16.7 million for recreation and library facility investment strategy
- $20.3 million for fire paramedic service, including $13.4 million for facility optimization in St. Boniface Industrial area and Windsor park station consolidation
- $20.0 million for economic response and recovery plan: revitalizing downtown strategy and related infrastructure investments
- $16.8 million for fleet management agency, including fleet asset acquisitions
- $11.8 million for parks and open space, including $6.2 million for urban forest renewal
- $5.0 million for police service, including communication site upgrades

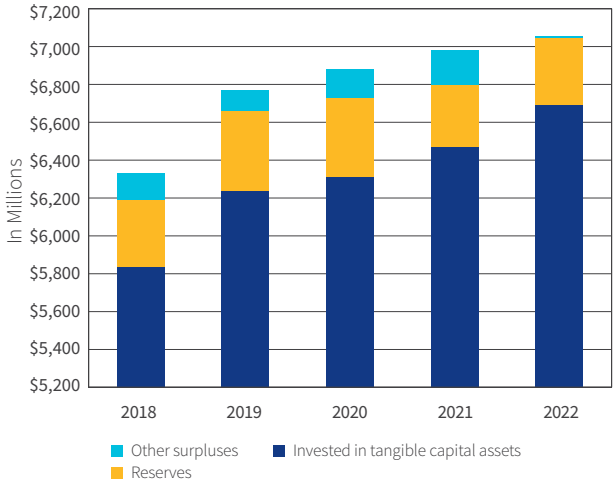
Included in the capital investment plan over the six-year period (2022 to 2027) is $570.7 million of federal funding under the Canada Community-Building Fund (formerly the Gas Tax), New Building Canada Fund, and Veterans Affairs Canada and Investing in Canada Infrastructure Program; $251.6 million of provincial funding and $86.5 million of cash to capital funding.

Accumulated Surplus

The accumulated surplus represents the net assets of the City, and the yearly change in the accumulated surplus is equal to the annual excess of revenues over expenses for the year (results of operations or annual surplus).

Accumulated surplus is comprised of all the accumulated surpluses and deficits of the funds, reserves and controlled entities that are included in the Statements, along with the City's unfunded liabilities, such as vacation, retirement allowance, compensated absences and landfill liabilities. Accumulated surplus primarily consists of the City's investment in tangible capital assets (2022 – 95%; 2021 – 93%). Investment in tangible capital assets is an important aspect of service delivery and is not intended or readily accessible for use in funding ongoing operations.

ACCUMULATED SURPLUS

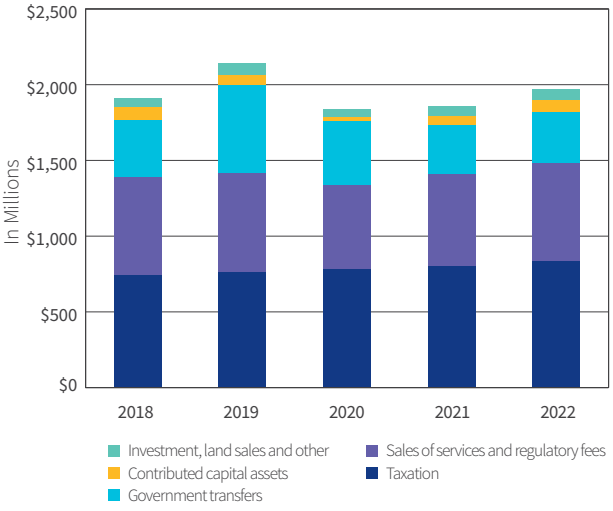


The City's accumulated surplus, through its investment in tangible capital assets, has grown by $70.6 million in 2022, indicating a strong foundation upon which services will continue to be delivered in the future.

CONSOLIDATED STATEMENT OF OPERATIONS

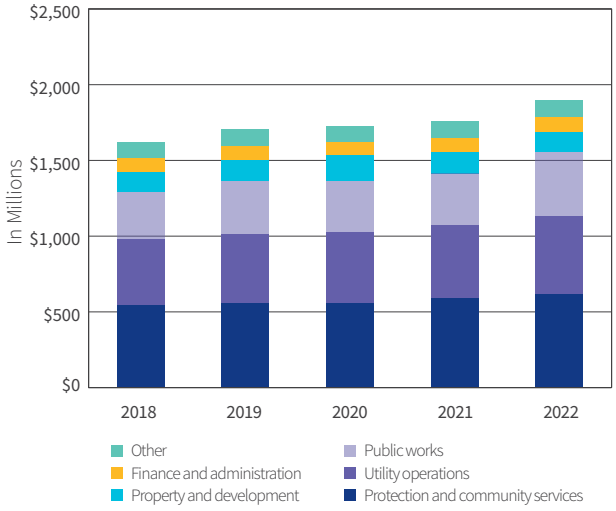
The Consolidated Statements of Operations shows how and where the City realizes its revenues. It provides information to understand the City's revenue sources and contribution to operations. It also shows the nature and purpose of the City's expenses, showing the allocation and consumption of resources.

REVENUES



Note: Revenues include capital related transfers and contributions included in the other category on the Consolidated Statement of Operations and Accumulated Surplus.

EXPENSES



Beyond government transfers, the City has a balance of revenue sources, with the majority coming from taxation, sales of services and regulatory fees. PSAB has defined indicators of financial condition to assist users of government financial statements to assess financial condition. Indicators of vulnerability measure a government's risk of over-dependency on sources of funding outside its control or exposure to risks that could impair its ability to meet financial and service commitments. Over the five year period, government transfers as a percentage of total revenue has ranged from 17% to 27%. For 2022, government transfers represent 17% of total revenues.

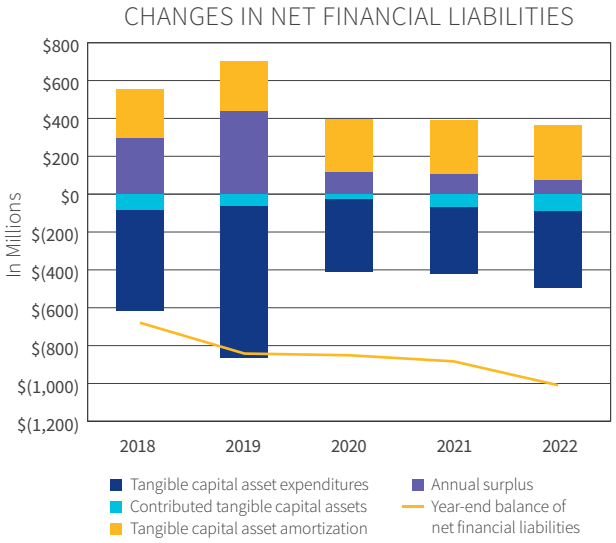
Spending in all categories are largely consistent with 2021 and reflects Council's priorities of public safety and roads. Public Works expense increased from 2021 relating to higher snow and ice control costs in 2022 due to extraordinary weather conditions.

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL LIABILITIES

Net financial liabilities represent the difference between the City's liabilities and its financial assets readily available to satisfy those liabilities. This statement explains why this change differs from the annual surplus.

The City has been making significant investments in its infrastructure over the past five years. With the investments exceeding financial assets generated through operations, the City has partially financed this difference through the assumption of debt.

The City continues to assume debt in a responsible and prudent manner as reflected in the results of its credit rating review. In June 2022, Standard & Poor's ("S&P") raised its rating on the City of Winnipeg to AA+ from AA. This was reaffirmed in November 2022, due to Winnipeg's "diversified economy" and "well-balanced institutional framework".



Moody's Investors Service ("Moody's") announced in December 2022 it maintained the City's credit rating at Aa2, noting "strong debt affordability" and "economic diversity". The announcement also expressed "strong governance and management structure" as a strength but that the rating is constrained by Winnipeg's debt burden as the City continues to invest in infrastructure. The rating reflects the economic and fiscal pressures of the pandemic.

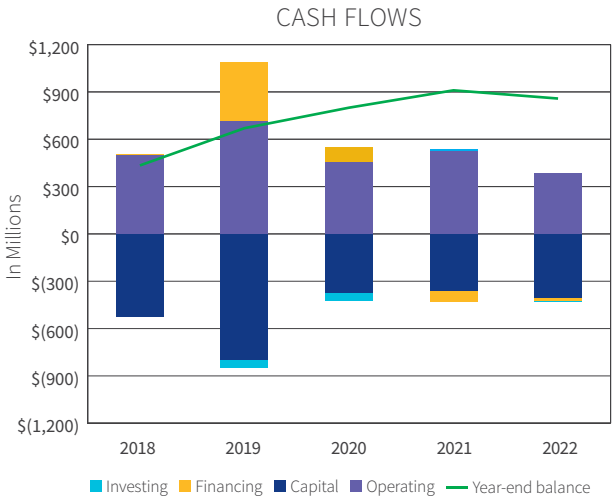
These debt ratings contribute to the City's ability to access capital markets and obtain favourable borrowing terms.

Another indicator of financial condition introduced by PSAB measures flexibility. Flexibility is the degree to which the City can issue more debt or increase taxes to meet its existing financial and service commitments. Even with the assumption of more debt, the City's interest expense-to-revenues has remained constant over the past several years between 2.7% – 3.6%. This measure indicates the City has sufficient sources of revenue to meet its financial and service commitments. It also demonstrates the low interest borrowing rates obtained by the City, which reflect not only the current market conditions but also the City's strong credit rating.

CONSOLIDATED STATEMENT OF CASH FLOWS

The City finances its activities and meets its obligations by generating revenues, external borrowing and by using existing cash resources. Cash resources are generated and used through operating, capital, financing and investing activities.

Managing cash flow to ensure sufficient liquidity was a key area of focus again in 2022 due to the impacts of the COVID-19 pandemic.



ANALYSIS OF STATEMENTS

Accounts Receivable

The accounts receivable balance has increased by $3.4 million from the prior year, largely related to taxes receivables outstanding in 2022. The largest component of accounts receivable is trade accounts and other receivables at 58% (2021 – 54%). Approximately 47% (2021 – 51%) of trade accounts and other receivables result from water and sewer services. Management has determined credit risk to be low on the outstanding water and sewer receivables and has provided an allowance for doubtful accounts of $400,000 (2021 – $400,000). The largest component of the total allowance for doubtful accounts relates to ambulance services.

As at December 31, 2022, property, payments-in-lieu and business tax receivables (taxes receivable), net of the estimated allowance for tax arrears, represented 20% (2021 – 17%) of total receivables. Taxation revenue is 42% (2021 – 43%) of total consolidated revenues. The decreased allowance for tax arrears in 2022 relates to the reduced uncertainties of the impacts of the pandemic on collectability of business taxes.

Taxes Receivable

As at December 31 (in thousands of dollars)	**2022**	2021	2020	2019	2018
Taxes receivable	**$ 68,565**	$ 57,005	$ 67,309	$ 60,120	$ 56,704
Allowance for tax arrears	**(1,277)**	(1,500)	(2,849)	(1,207)	(813)
	$ 67,288	$ 55,505	$ 64,460	$ 58,913	$ 55,891

Investments

As at December 31 (in thousands of dollars)	**2022**	2021
Marketable securities		
Municipal bonds	**$ 111,319**	$ 115,794
Provincial bonds and bond coupons	**40,429**	28,729
Federal entity bonds	**26,344**	25,733
	178,092	170,256
Manitoba Hydro long-term receivable	**220,238**	220,238
Other	**2,895**	156
	$ 401,225	$ 390,650
Market value of marketable securities	**$ 146,047**	$ 178,368

Marketable securities are generally long-term. These securities are being held to finance anticipated future costs, such as perpetual maintenance at the three cemeteries maintained by the City. Council has approved an Investment Policy to provide a framework for managing the investment program. The Investment Policy provides guidance and parameters for developing a portfolio strategy; a performance measurement section, including benchmarks and objectives; an enhanced reporting framework; and allowable categories for investments. Safety of principal remains the overriding consideration for investment decisions. Consideration is also given to risk/return, liquidity and the duration and convexity of the portfolio.

Manitoba Hydro acquired Winnipeg Hydro from the City in 2002. The resulting long-term receivable included annual payments starting in 2002, which declined gradually to $16 million annually in perpetuity starting in 2011. The carrying value of this investment is based on the discounted future cash flows that have been guaranteed by the Province, which coincides with the payments remaining at $16 million in perpetuity.

Debt

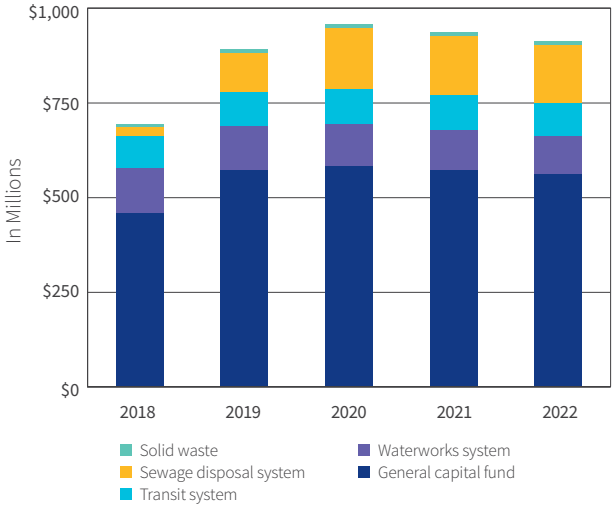
As at December 31 (in thousands of dollars)	**2022**	2021
Sinking fund debentures	**$ 1,072,568**	$ 1,072,568
Equity in sinking funds	**(152,454)**	(132,049)
	920,114	940,519
Service concession arrangement obligations	**269,399**	274,787
Bank loans and other	**151,803**	140,528
Capital lease obligations	**17,427**	19,045
	1,358,743	1,374,879
Unamortized premium on debt	**104,391**	108,089
	$ 1,463,134	$ 1,482,968

The City of Winnipeg has several types of debt obligations. The largest component of debt is sinking fund debentures. The City of Winnipeg Charter requires the City to make annual payments towards the retirement of sinking fund debt for which the City maintains two sinking funds. One of the sinking funds is managed by The Sinking Fund Trustees of the City of Winnipeg. As a result of revisions to The City of Winnipeg Charter, a second sinking fund was created for sinking fund debentures issued since December 31, 2002 and is managed by the City.

For the City managed sinking fund, the City pays interest on the principal to the investors and contributes a set percentage of the principal into the sinking fund annually. The sinking fund contribution percentage is set at the time of debt issuance and is estimated to be sufficient to retire the debentures as they mature. The City has the ability to adjust this interest rate on future debenture issuance to meet maturity amounts.

These annual sinking fund payments are invested primarily in government and government-guaranteed bonds and debentures. By investing in bonds and debentures of investees that are considered to be high quality, the City reduces its credit risk. Credit risk arises from the potential for an investee to fail or to default on its contractual obligations.

NET SINKING FUND DEBENTURES, SERIAL AND INSTALMENT DEBT



The Sinking Fund Trustees of the City of Winnipeg manage debt related to Winnipeg Hydro, which will be fully retired by 2029. As part of the sales agreement with Manitoba Hydro, this sinking fund is required to hold Manitoba Hydro Electric Board bonds issued by Manitoba Hydro. These bonds were issued to enable the City to repay and defease the Winnipeg Hydro debt. The bonds have identical terms and conditions as to par value, interest and date of maturity as the debt. The bonds are guaranteed by the Province of Manitoba and are non-transferable and non-redeemable prior to maturity. This debt has been defeased under this arrangement and accordingly, is not reported in the Statements.

No sinking fund debentures were issued in 2022 or in 2021.

The City has entered into three service concession arrangements with respect to Chief Peguis Trail Extension, Disraeli Bridges, and the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass. Taking into account the various forms of funding and financing, the effective interest rates incurred by the City are 4.6%, 5.2% and 1.6% for these projects, respectively.

Liquidity is an important measure of an organization's ability to readily service its debt obligations. Liquidity is measured by a debt service coverage ratio, comparing free cash and liquid assets to annual debt servicing (principal and interest). The following table presents the last five years:

Debt Service Coverage Ratio	**2022**	2021	2020	2019	2018
Free Cash and Liquid Assets/ Debt Service	**633.5%**	832.3%	1261.1%	1052.8%	774.4%

A second measure the City uses to actively monitor liquidity is Total City Liquidity and it is measured to ensure it remains within acceptable parameters. An internal target of a minimum of 30% is used for treasury management and reporting.

The City calculates liquidity as Free Cash plus Liquid Assets and Committed Credit Facilities, divided by Consolidated Operating Expenditures less Amortization.

Total City Liquidity Ratio	**2022**	2021	2020	2019	2018
Free Cash, Liquid Assets and Committed Credit/ Consolidated Operating Expenses less Amortization	**58.2%**	70.3%	77.5%	61.3%	46.4%

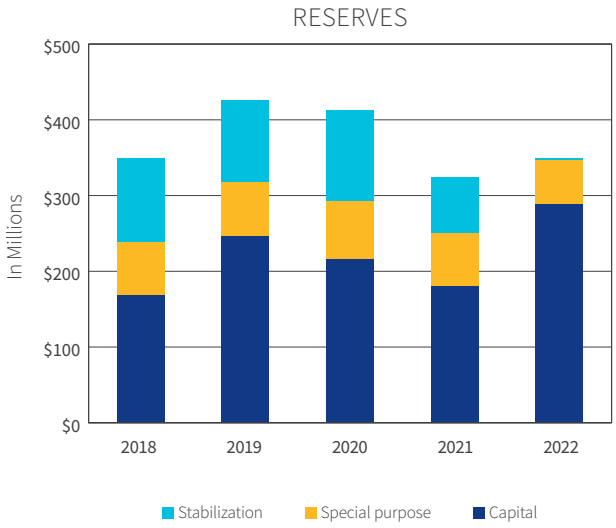
In its recent credit rating report, Standard and Poor's commented that the City has a diversified economy, strong financial management and robust liquidity.

Reserves

Reserve balances have increased overall by $24.0 million (2021 – $88.1 million decrease) from the prior year.

The Financial Stabilization Reserve is projected to be $17.4 million, which is $60.6 million below its minimum balance of 6% of the General Revenue Fund adopted 2023 budgeted expenses at the end of 2023. The Reserve projected balance is below the minimum balance due to the need to draw on the reserve to balance 2022's General Revenue Fund deficit. In 2022, the Financial Stabilization Reserve balance decreased by $73.0 million, ending at $2.1 million. The Council adopted 2023 Budget includes a transfer of $15.0 million to this reserve from the Waterworks Fund.

The Capital Reserve balance increased by $98.4 million mainly due to additional funding for the Environmental Project Reserve Fund.



On January 25, 2006, City Council authorized the establishment of the Federal Gas Tax Revenue Reserve Fund. Purpose of the Reserve is to account for funds received from the Province under the Federal Gas Tax Funding agreement. The name of the Reserve has been amended to the "Canada Community-Building Fund Reserve" to reflect the change in name of the Federal government program. The reserve transferred $51.0 million to General Capital Fund during 2022 to fund various eligible capital projects.

During 2013, a reserve was established to track dedicated revenue for the sole purpose of funding the renewal of local streets, back lanes and sidewalks. The long-term proposal, subject to annual Council approval, is to fund this Local Street Renewal Reserve Fund with dedicated annual 1% property tax increases in 2022. The reserve transferred $47.5 million to the General Capital Fund during 2022 to fund local street, back lane and sidewalk projects.

A similarly dedicated 1% property tax increase was introduced in 2014 to fund a Regional Street Renewal Reserve. Approximately 80% of the traffic volume in the City occurs on 1,800 lane kilometers of regional streets. The long-term proposal, subject to annual Council approval, is to dedicate annual 1% property tax increases in 2022, to the renewal of regional streets, sidewalks and bridges. The reserve transferred $42.9 million to the General Capital Fund during 2022 to fund regional street projects.

Consolidated Revenue and Expense Comparisons

The Consolidated Statement of Operations and Accumulated Surplus reports the City's changes in economic resources and accumulated surplus for 2022 on a comparative basis. The City increased its accumulated surplus during the year because annual revenues exceeded expenses. This statement includes the consolidated budget to provide additional transparency and accountability.

During 2022, the City recorded consolidated revenues of $1.970 billion (2021 – $1.857 billion), which included government transfers, developer contributions-in-kind and other capital contributions related to the acquisition of tangible capital assets. Consolidated expenses totaled $1.900 billion (2021 – $1.754 billion).

Consolidated revenues before government transfers, developer contributions-in-kind and other capital contributions totaled $1.769 billion (2021 – $1.676 billion). As a result, the City reported a deficit of $130.7 million (2021 deficit of $78.1 million) before these other items. This deficit includes the results of accruing for unfunded liabilities, such as landfill liabilities and future-oriented employee benefit liabilities. These future-oriented employee benefits, such as unused vacation and sick leave, are recorded in these Statements on an accrual basis but are budgeted on a pay-as-you-go basis. Similarly, amortization is recorded over the life of the tangible capital asset; however, the budget is developed to consider the cash flows associated with constructing the asset and servicing any associated debt.

Consolidated Revenues

For the years ended December 31 (in thousands of dollars)	**Budget 2022**		**Actual 2022**		Actual 2021		Budget to Actual Variance	Actual to Actual Variance
Taxation	**$ 827,627**	42%	**$ 836,980**	42%	$ 800,949	43%	$ 9,353	$ 36,031
Sales of services and regulatory fees	**641,952**	33%	**644,358**	33%	605,229	33%	2,406	39,129
Government transfers – Operating	**215,159**	11%	**226,616**	12%	219,869	12%	11,457	6,747
Investment, land sales and other revenues	**50,425**	3%	**61,098**	3%	50,364	3%	10,673	10,734
Revenue before Other	**1,735,163**		**1,769,052**		1,676,411		33,889	92,641
Government transfers – Capital	**132,248**	7%	**108,698**	6%	105,592	6%	(23,550)	3,106
Developer contributions-in-kind	**70,670**	4%	**84,767**	4%	63,500	3%	14,097	21,267
Other capital contributions	**5,800**	0%	**7,808**	0%	11,155	0%	2,008	(3,347)
	208,718		**201,273**		180,247		(7,445)	21,026
	$ 1,943,881		**$ 1,970,325**		$ 1,856,658		$ 26,444	$ 113,667

Revenues were $113.7 million higher in 2022 due to several factors. Sale of services and regulatory fees increased compared to 2021 largely due to gradual return of ridership to Transit. As well, several revenue streams rebounded from the impact in 2021 of the pandemic, including parking fines, parking meter fees, resumption of events and conventions, park revenues and restoration of recreation services.

Taxation revenue increased due mainly to assessment roll growth and a 2.33% property tax increase. Developer contributions-in-kind increased and indicates the variability of developments from year to year.

Investments, land sales and other revenues increased mainly due to higher interest rates compared to prior year. Government Transfers – Operating year over year actuals increased mainly due to Federal funding to assist with operational losses due to COVID-19.

Consolidated Expenses By Service

For the years ended December 31 (in thousands of dollars)	**Budget 2022**		**Actual 2022**		Actual 2021		Budget to Actual Variance	Actual to Actual Variance
Protection and community services	**$ 598,440**	33%	**$ 615,086**	32%	$ 589,273	34%	$ (16,646)	$ (25,813)
Utility operations	**508,325**	28%	**520,525**	27%	481,631	27%	(12,200)	(38,894)
Public works	**345,533**	19%	**418,207**	22%	353,693	20%	(72,674)	(64,514)
Property and development	**151,154**	8%	**131,932**	7%	133,275	8%	19,222	1,343
Finance and administration	**96,000**	5%	**96,705**	5%	89,713	5%	(705)	(6,992)
Civic corporations	**75,038**	5%	**79,456**	5%	63,818	4%	(4,418)	(15,638)
General government	**12,974**	2%	**37,811**	2%	43,058	2%	(24,837)	5,247
	$ 1,787,464		**$ 1,899,722**		$ 1,754,461		$ (112,258)	$ (145,261)

Consolidated expenses increased by $145.2 million or 8.3% from the previous year for the following reasons:

- Public works services expenses increased by $64.5 million primarily due to higher volumes of snow removal and ice control, and due to contractual pay increases to employees.
- Utility operations expenses increased by $38.9 million compared to 2021. This is due to increase in fuel prices and salary and benefits costs, higher Transit Plus costs due to increased demand and additional Sewage amortization expense.
- Protection and community services increased by $25.8 million primarily due to contractual pay increases to employees and resumption of services in 2022 due to closures related to COVID-19 in 2021.

Consolidated Expenses by Object

For the years ended December 31 (in thousands of dollars)	**2022**		2021		Variance
Salaries and benefits	**$ 980,478**	52%	$ 932,407	53%	$ (48,071)
Goods and services	**530,604**	28%	429,939	25%	(100,665)
Amortization	**293,628**	15%	286,475	16%	(7,153)
Interest	**64,202**	3%	66,324	4%	2,122
Other expenses	**30,810**	2%	39,316	2%	8,506
	$ 1,899,722		$ 1,754,461		$ (145,261)

- Increases in goods and services expenses resulted primarily due to snow removal and ice control costs, increase in fuel prices and parts spending due to inflation and due to higher demands in Transit Plus service from the gradual recovery from the impact of COVID-19.
- Increases in salaries and benefits expenses resulted primarily due to contractual pay increases to employees, resumption of services in 2022 and snow removal and ice control activities due to significant snowfall in 2022.

RISKS AND RISK MITIGATION

Financial Sustainability

Over the past several years, the City has prepared a Community Trends and Performance Report as part of the budget process. Included in the report is a financial trends section providing a longer range perspective of the major financial trends of the City of Winnipeg. The 2019 report identified the need for a new multi-year balanced view for the tax-supported budget to mitigate the risk of ongoing structural deficits.

On March 20, 2020, Council took steps to alleviate this risk and adopted its first multi-year balanced budget. This multi-year balanced budget provides the City with a blueprint for transformative change in the way it delivers key services and invests in infrastructure while providing certainty and predictability for ratepayers. Multi-year balanced budgeting allows the City to take a longer term view of Winnipeg's needs. As well, it provides the City with greater ability to provide stable service delivery and to make strategic investments.

Council is required to vote on the annual operating and capital budget each year in accordance with the City of Winnipeg Charter.

Comprehensive Asset Management

The City faces a significant infrastructure deficit to address infrastructure needs relating to the major service areas across the organization. Based on the published 2018 State of the Infrastructure Report, an investment of $6.9 billion is required over the next decade. An updated 2024 Infrastructure Plan will be released at the end of 2023.

To assist in addressing this issue, the City is using the dedicated property taxes for local and regional roads (1% each), and leveraging Federal and Provincial funding opportunities. As well, the City has committed to comprehensive asset management as a key initiative to help address challenges associated with infrastructure investments. Several near and long-term strategies to address the deficit are outlined in the 2018 City Asset Management Plan, which sets the stage to routinely monitor and improve asset performance and organizational sustainability.

The asset management program helps the City to effectively invest limited resources into long-term capital plans by balancing risk, cost and customer levels of service. The program is meant to align investments with infrastructure priorities to deliver established levels of service in a fiscally responsible manner. In short, it allows the City to make the right investment, at the right time, in the right way.

In January 2015, Council approved an Asset Management Policy. This policy guides the City in incorporating best practices in asset management. Asset management aligns the elements of governance, process and technology to deliver established levels of service at an acceptable level of risk. In fulfilling the policy's requirements, the following documents have been delivered:

- **Asset Management Administrative Standard**: This document establishes the City's approach to managing the City's physical assets.
- **Investment Planning Manual**: This manual provides a methodology to develop a consistent, efficient and effective process to develop Investment Plans (Capital Budget).
- **Project Management Manual**: This manual provides consistency in project delivery in the City. It is to be used by all business units in all departments for delivery of capital projects in the City. This manual is largely based on the Project Management Body of Knowledge, which is generally considered to be best practices for project management in North America.
- **Templates**: Templates such as a Business Case Template and a Basis of Estimate Template were created to ensure consistency throughout the Public Service when working on investment planning or project management.
- **Asset Management Strategy Documents**:
  - **Departmental Asset Management Plan**: This plan contains critical asset information pertaining to inventory, replacement value, condition, age and performance. It outlines tactical and financial strategies for managing assets throughout their life cycle.
  - **City Asset Management Plan ("CAMP")**: This plan provides a summary of asset information, strategies and funding deficits related to the entire portfolio of new and existing infrastructure. It presents a cross-comparison of major City services and facilitates broader decision making across the organization. The plan also outlines corporate strategies and improvement initiatives focusing on people, process, technology and assets across City departments and functional teams.

- **State of the Infrastructure Report**: This report provides a high level summary of the CAMP and it reports on 13 major infrastructure elements that the City manages in order to deliver services. The report provides a comparison of asset condition, capital budget allocations and a service area's overall contribution to the deficit based on new and existing infrastructure needs.
- **Infrastructure Plan**: The Infrastructure Plan is meant to capture the City's 10-year investment strategy, which outlines capital priorities and the limited availability of funding to support the development of a multi-year capital budget. Enhanced decision-making is facilitated through capital optimization and continuous monitoring of the City's infrastructure deficit, debt capacity, and financing sources. The Infrastructure Plan will guide the City's investment planning efforts based on aligned capital priorities and budget availability. It is meant to inform the capital planning process and ensure alignment with long-term City objectives as set out in *OurWinnipeg*, Council priorities, and departmental plans.
- **Strategic Asset Management Plan ("SAMP")**: This document provides the City's commitment and approach to achieving Council's approved policy. The SAMP will summarize the City's strategy for asset management and will outline how organizational objectives will be converted into asset management objectives. The document was endorsed through the City's Asset Management Advisory Committee.

The following documents are in progress and will be delivered as part of the Asset Management Policy's requirements:

- **Levels of Service Framework**: This document, to be approved by Council, will provide the level to which front-line infrastructure supported services will be delivered.

The City has applied for funding under ICIP, the current major 10-year federal infrastructure funding program (2018 to 2027). Funding is available under three infrastructure streams:

- Green infrastructure (environmental) ("GIS")
- Community, culture and recreation infrastructure ("CCRIS")
- Public transit infrastructure ("PTIS")

In 2021, the City received notice of approval of funding for NEWPCC: Headworks facilities, South Winnipeg Recreation Campus and St. James Civic Centre. In 2022, the NEWPCC: Biosolids facilities and all six projects under PTIS received approval.

Capital Project Management

One of the major functions of the City is the delivery of capital investments. In 2022, the City put into service $0.5 billion in tangible capital assets, rehabilitating and investing in new assets such as roads, bridges and buildings. Tangible capital assets serve as key components to service delivery.

The City values strong project management and is working diligently to mitigate against capital project delivery challenges associated with time, budget and scope by doing the following:

- The Public Service established Major Capital Project Advisory Committees to ensure project risks are being appropriately identified and addressed. As well, regular reporting to the Standing Policy Committee on Finance and Economic Development enhances public transparency.
- The City transitioned to a system where all capital budget submissions require a supporting business case that can be challenged on the basis of need (level of service and risk), assumptions and recommended solutions.
- In 2018, the City rolled out its Open Capital Projects Dashboard (the "Dashboard") on its website. The Dashboard is a visually engaging, interactive tool that reports on the progress of the City's open capital projects with budgets of $5 million or more. It eliminates the complexity of analyzing a capital project's financial and non-financial information. Its schedule and cost variance matrix were custom developed to do this analysis for users. The Dashboard was awarded GFOA's Award for Excellence in Government Finance. This award recognizes this initiative as a contribution to the practice of government finance that exemplifies outstanding financial management.
- The Dashboard complements the Open Budget, which reports fundamental financial information of adopted budget, amended budget and actual costs categorized by department, category and subcategory for the City's entire portfolio of more than 700 open capital projects.
- A Capital Expenditures Monthly Report is posted to the City's website to improve transparency and accountability. A version was made available through the City's Open Data Portal early in 2016.

Financial Management Plan

The latest Financial Management Plan (the "Plan") was adopted by Council on March 20, 2020. The Plan outlines the City's strategy for guiding financial decision-making, meeting long-term obligations and improving its economic position and financial stability. It sets forth guidelines upon which current and future financial performance can be measured. The goals and targets have been refreshed from the previous plan adopted in 2011. A new goal added to the Plan supports long-term financial planning, with the target of transitioning to multi-year balanced tax-supported operating budgets. This target will help address financial sustainability. One of the eight targets included in the Plan is to ensure debt issuance and outstanding debt levels are in accordance with the Debt Management Policy and Debt Strategy. A review of forecasted net debt and servicing costs, including the financial implications of service concession arrangements, is conducted on an ongoing basis.

Debt Strategy

To help manage the City's debt responsibly and transparently, on October 28, 2015, Council approved an updated debt strategy for the City. The following table provides the Council approved limits; the debt metrics as at December 31, 2022; and the forecasted peak levels based on the Council approved borrowing from the 2023 Capital Budget and Five-Year Forecast.

Debt Metrics	Maximum	As at December 31, 2022	Forecasted Peak
Debt as a % of revenue			
City	**90.0%**	69.0%	78.0%
Tax-supported and other funds	**80.0%**	45.0%	57.4%
Utilities and other	**220.0%**	64.0%	105.2%
Debt-servicing as a % of revenue			
City	**11.0%**	5.3%	7.0%
Tax-supported and other funds	**10.0%**	3.8%	5.2%
Utilities and other	**20.0%**	4.5%	9.8%
Debt per capita			
City	**$ 2,800**	$ 1,745	$ 2,096
Tax-supported and other funds	**$ 1,500**	$ 981	$ 1,142
Utilities and other	**$ 1,500**	$ 661	$ 1,167

Note: "City" includes "tax-supported and other funds", "Utilities and Other" and consolidated entities. "Tax-supported and other funds" includes Municipal Accommodations and Fleet Management. "Utilities and Other" includes Transit System, Waterworks System, Sewage Disposal System and Solid Waste Disposal. "Forecasted Peak" does not account for the implications of consolidated accounting entries.

Loan Guarantees

The City has 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, 2022 is $32.3 million (2021 – $34.1 million). Included in the outstanding balance on guaranteed loans is a $5.3 million guarantee related to financing provided by the Federation of Canadian Municipalities to the private Fort Rouge Yards project. The City is fully indemnified for this guarantee through an indemnity agreement with First National Financial LP.

Some of the capital projects related to guarantees are in progress at year-end, using lines of credit. The potential full use of these credit facilities, or at risk amount, is $35.4 million (2021 – $36.5 million). The City does not anticipate incurring future payments on these guarantees.

On September 28, 2016, Council adopted a renewed Loan Guarantee policy. The main objectives of this policy revision were to ensure that loan guarantees are only provided to organizations that assist the City in achieving its goals while minimizing the financial risk associated with the guarantee. Other revisions include application and standby fees, a cap on the amount of loan guarantees to non-consolidated entities and a minimum threshold for loan guarantee applications.

COVID-19 has financially impacted most businesses and organizations, including those for which the City has provided a loan guarantee. The City is in regular contact with these organizations and is monitoring the status of its loan guarantees.

Employee Benefit Programs

The City provides pension, group life insurance, sick leave and severance pay benefit plans for qualified employees. The cost of these employee benefits is actuarially determined each year. These calculations use management's best estimate of a number of assumptions, including the long-term rate of investment return on plan assets, inflation, salary escalation and the discount rate used to value liabilities. As well, it includes certain employee-related factors such as turnover, sick leave utilization, retirement age and mortality.

Management applies judgment in the selection of these assumptions based on past experience and on forecasts of future economic and investment conditions. As these assumptions relate to factors that are long-term in nature, they are subject to a degree of uncertainty. Differences between actual experience and the assumptions, as well as revisions to the assumptions resulting from changes in future expectations, may lead to adjustments to the City's pension, sick leave and severance pay benefits expense reported in future financial statements.

Pension Plans

The City has two major pension plans – The Winnipeg Civic Employees' Benefits Program and the Winnipeg Police Pension Plan.

The Winnipeg Civic Employees' Benefits Program has similar characteristics to a defined contribution pension plan in that it is a multi-employer benefits program governed by an independent board of trustees and a trust agreement that limits the City's contribution rate. This structure limits the City's exposure to future unfunded liabilities.

The future service cost of the Winnipeg Civic Employees' Benefits Program in 2022 was 27.48% of pensionable earnings.

The Winnipeg Police Pension Plan (the "Plan") is a defined benefit plan to which the members contribute 8% of pensionable earnings, with the City being responsible for any unfunded liabilities. As at December 31, 2022, the market value of this pension fund's assets was $2,042.5 million (2021 – $2,115.9 million), which is $53.6 million more (2021 – $236.0 million more) than the accrued pension obligation.

Based on the valuation of the Plan as at December 31, 2021, the cost of benefits accruing under this Plan in 2022 represents 32.46% of pensionable earnings, of which the employees contributed 8% of earnings. In accordance with Provincial pension legislation, the Plan's Contribution Stabilization Reserve can be used to reduce the City's contributions to match the employees' contributions to the extent the Plan is funded in excess of both 105% on a solvency basis and fully funded, including the prescribed Provision for Adverse Deviation, on a going-concern basis. The balance in the Contribution Stabilization Reserve has been below the required threshold to reduce City contributions since May 2012. Further, in accordance with the Plan provisions and the last filed actuarial report the City was required to contribute 21.78% of pensionable earnings, leaving 2.68% of earnings not being funded.

The date of the next required actuarial valuation of the Plan to be prepared and filed with the Manitoba Office of the Superintendent – Pension Commission (The "Pension Commission") is December 31, 2023. In addition to a calculation of the actuarial surplus or funding deficiency, in accordance with pension legislation in Manitoba, the Plan must also be valued under the hypothetical scenario that the Plan is wound up and members' benefit entitlements settled on the valuation date. As of the most recent valuation filed with the Pension Commission as of December 31, 2020, the Plan had a solvency deficiency under this wind-up scenario.

This deficiency is being addressed over the five years following the valuation date by the City by obtaining a letter of credit with face value equal to the value of additional contributions cumulatively required. City Council approved the letter of credit and the City has obtained a letter of credit for $4.8 million as of December 31, 2022.

Group Life Insurance Plans

The City's Group Life Insurance Plan was established in 1975 and is comprised of two separate plans: the Civic Employees' Group Life Insurance Plan and the Police Employees' Group Life Insurance Plan ("GLIP"). The GLIP historically treated its income as non-taxable since the net assets were considered to be an extension of the City's government.

However, as a result of enquiries from one of the GLIP's investment managers seeking confirmation of this, the City engaged a tax professional to review the tax status of the GLIP. The review determined the GLIP may not be tax exempt. The City then voluntarily approached the Canada Revenue Agency ("CRA") to discuss the issue. CRA informed the City that, in its view, the assets held in the GLIP constitute trust funds and, therefore, the income should be considered taxable. CRA agreed to grandfather the tax-exempt status assumed by the present GLIP and, acknowledging that the City was actively working to address this issue, granted an extension until the end of December 2015.

In 2015, Council approved By-Law 80/2015 in respect of the GLIP. The purpose of the By-Law was to transfer the GLIP's administration from the Winnipeg Civic Employees' Benefits Program and the Winnipeg Police Pension Board to The Civic and Police Employees' Group Life Insurance Plans Corporation ("CPEGLIPCo"). The Province of Manitoba approved the establishing of the CPEGLIPCo as a municipal corporation. The benefits offered by the GLIP have not changed. This new structure maintains the tax-exempt status of the GLIP.

Full valuations of the GLIP were undertaken as at December 31, 2019 and continued to reflect favourable financial positions. The Board of the CPEGLIPCo reviewed the results of the valuations and the GLIP's surplus policies during 2020 and approved the continuation of the employer and member contribution rates in effect. The next full valuations of the GLIP as at December 31, 2022 are expected to be completed in 2023.

Environmental Matters

The City's water distribution and treatment system is governed by a Provincial licence issued under The Drinking Water Safety Act, and the sewage treatment plants are governed by Provincial licences issued under The Environment Act.

The 2005 to 2022 Council approved capital budgets for the Water and Waste utilities and their 2023 to 2027 capital forecasts anticipate $237.8 million of future debt to fund projects mandated by the Province. During 2003, at the request of the Minister of Conservation, the Clean Environment Commission ("CEC") conducted public hearings to receive and review comments on the City's wastewater collection and treatment improvement program. The CEC made several recommendations to upgrade and improve the wastewater collection and treatment systems, which were subsequently supported by the Minister of Conservation. In response, Manitoba Conservation issued Environment Act Licences to the City for the North End, West End, and South End Sewage Treatment Plants.

In 2011, "The Save Lake Winnipeg Act" was passed, which further enforces limits and imposes treatment options for the North End Water Pollution Control Centre ("NEWPCC"). In 2013, an additional licence was issued under the Environment Act, which governs combined sewers and overflow structures. With this direction, a waste-water upgrade program is underway that will address nutrient control and biosolids management, estimated (class 3) cost is approximately $1.8 billion. The combined sewer overflow mitigation Master Plan was approved by the Province on November 13, 2019. The estimated cost (class 5) is approximately $2.3 billion. These estimates are based on preliminary assessments and are dependent on market factors and interpretation of the compliance requirements.

Council approved a project that includes upgrades to the Headworks facilities of NEWPCC. The scope of this project is necessary for the subsequent Biosolids and Nutrient Removal Facilities projects that will address regulatory requirements. These projects also include replacement of end-of-life equipment. Biosolids from all three sewage treatment plants are processed at NEWPCC, which is nearing biosolids treatment capacity. The Biosolids project also provides for a new treatment facility in order to meet regulatory requirements regarding maximizing biosolids reuse. Without Provincial or Federal support of this project, it will be a challenge for the City to upgrade this facility. On September 26, 2019, Council approved the submission of an application to ICIP for upgrades to the NEWPCC project. On June 2, 2021, the Province of Manitoba advised that the federal and provincial funding was approved for the Headworks Facilities Project. The Biosolids Facilities Project funding was approved on December 20, 2022. Other major funding sources for these improvements will be provided by the Environmental Projects Reserve, the Canada Strategic Infrastructure Fund, the Green Infrastructure Fund and accumulated surplus.

The City of Winnipeg operates one landfill, located at the Brady Road Resource Management Facility, and maintains and monitors several former landfill sites. The City estimates costs associated with future landfill closure and post-closure care requirements in the determination of its environmental liability. The Provincial Environment Act Licence issued on April 23, 2014 provides direction on closure and post closure requirements. In estimating future landfill closure costs, management has estimated the total cost to cover, landscape and maintain the site based upon remaining life and capacity. The liability is measured on a discounted basis using the City's budgeted long-term borrowing rate.

The City recognizes a liability for remediation of contaminated sites when conditions are identified that indicate non-compliance with environmental legislation. As at December 31, 2022, the City recorded $8.1 million (2021 – $5.3 million) of liability related to contaminated sites.

Labour Negotiations

For the year ended December 31, 2022, 52% (2021 – 53%) of the City's expenses related to salaries and employee benefits. The City's annual average headcount was 10,286 (2021 – 10,279). The majority of employees are represented by eight unions and associations as follows:

Union/Association	Average Annual Headcount	Agreement Expiry Date
ATU	1,397	January 7, 2023
CUPE	4,263	February 28, 2025
MGEU	393	February 28, 2021
UFFW	969	December 31, 2023
WAPSO	865	December 31, 2023
WFPSOA	47	December 31, 2024
WPA	2,004	December 31, 2021
WPSOA	36	December 31, 2021
Other (non-union/association)	312	Not applicable

ATU – Amalgamated Transit Union Local 1505; CUPE – Canadian Union of Public Employees Local 500; MGEU – Manitoba Government and General Employees' Union, The Paramedics of Winnipeg, Local 911; UFFW – United Fire Fighters of Winnipeg Local 867; WAPSO – Winnipeg Association of Public Service Officers; WFPSOA – Winnipeg Fire Paramedic Senior Officers' Association; WPA – Winnipeg Police Association; and WPSOA – Winnipeg Police Senior Officers' Association.

The collective agreements provide a process to revise wage and employee benefit levels through negotiations. In addition, collective bargaining disputes with certain bargaining units are resolved through compulsory arbitration at the request of either or both parties.

Corporate Risk Management Division

The City has a separate Risk Management Division reporting to the Chief Financial Officer. This division provides services designed to control and minimize the adverse financial effects of accidental or unforeseen events. Working with City departments and SOAs, this division strengthens the City's long-term financial performance through the development and provision of a solid framework of risk management and loss control techniques based on an informed balance of risk and cost. Identifying, understanding and evaluating the City's risks allow the City to measure and prioritize them, and respond with appropriate actions to manage the risk through loss prevention and reduction strategies, insurance programs and contractual transfer.

FINANCIAL ACCOUNTABILITY

Audit Department

The City Auditor is a statutory officer appointed by Council under The City of Winnipeg Charter. The City Auditor reports to Council through the Audit Committee and is independent of the City's Public Service. The Audit Department is classified as an independent external auditor under Government Auditing Standards due to statutory safeguards that require the City Auditor to report directly to Council through the Audit Committee. The Audit Department's primary client is Council, through the Audit Committee.

The purpose of the Audit Department is to provide independent and objective information, advice and assurance with respect to the performance of civic services in support of open, transparent and accountable governments. The value to Council is the ability to use credible information to support their decision- making efforts. Stakeholders are the Public Service and residents. The City Auditor conducts examinations of the operations of the City and its affiliated bodies to assist Council in its governance role of ensuring the Public Service's accountability for the quality of stewardship over public funds and for the achievement of value for money in City operations.

External Auditor

The City of Winnipeg Charter requires that an audit of the annual consolidated financial statements of the City is performed. These consolidated financial statements have been audited by KPMG LLP, as the City's appointed external auditors. KPMG LLP's role is to express an independent opinion on the fair presentation of the City's financial position and operating results, and to confirm that the statements are free from material misstatement.

Budget Process

In 2020, the City, for the first time ever, produced a balanced four-year, multi-year operating budget (2020 to 2023). Section 284(1) of The City of Winnipeg Charter requires Council to approve the operating budget before March 31 of each fiscal year. The City also prepares a six-year capital investment plan, including related funding sources. Section 284(2) of The City of Winnipeg Charter requires that before December 31 of each fiscal year, Council must adopt a capital budget for that year and a capital forecast for the next five fiscal years.

The Budget Working Group develops the budget. The preliminary operating and capital budgets are tabled by Executive Policy Committee and referred to the City's Standing Policy Committees and the Winnipeg Police Board for review and recommendations. These are then presented to Council for consideration in adoption of the budget. Each year, both operating and capital budgets are approved by Council. The 2020 budget included the approval of the City's multi-year budget policy.

2022 was the second update to the 2020 multi-year budget. The next multi-year budget will be completed in 2024.

LOOKING FORWARD

2023 Multi-year Balanced Operating and Capital Budgets Updates

On March 22, 2023, Council adopted both budgets for The City of Winnipeg – the 2023 operating budget update and the 2023 capital budget including the 2024-2028 five-year capital forecast. 2023 is the last budget update to the 2020 multi-year balanced budget.

The key priorities in this budget were:

- Citizen service improvements
- Economic development
- Community outreach and safety
- Protect the environment
- Affordability and expenditure control
- Strategic investments

2023 is the first full year of the newly elected Mayor and Council. In the context of the 2023 Budget Update, these Council approved priorities balance the ongoing uncertain financial impacts of the COVID-19 global pandemic while simultaneously presenting a disciplined plan that ensures services are provided at an affordable cost. City of Winnipeg continues to work with federal and provincial partners to maximize share of funding for infrastructure and services that will support our growing City.

The adopted 2023 Balanced Budget Update includes a six-year capital investment plan of $3.1 billion. This plan is $0.2 billion higher than last year's six-year plan. The increase is primarily due to additional investments for regional and local street renewals in the six-year plan.

The six-year capital investment plan includes $980.6 million in regional and local street renewals; $530.1 million in Transit, including $267.8 million invested in the transition to zero-emission buses; $620.3 million in Sewage Disposal System projects, including $240.0 in combined sewer overflow and basement flood management strategy; and $340.4 million invested in Waterworks System, including $120.5 million in water main renewals. The 2023 Budget Update includes a 3.50% property tax increase. 2.00% of this increase is dedicated to the renewal of local and regional streets and sidewalks, 1.17% to the tax supported operating budget and 0.33% to fund future payments for the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass projects.

The City was awarded the GFOA's Distinguished Budget Presentation Award for its 2022 to 2023 multi-year budget update.

The adopted 2023 Budget Update document includes the 2022 and 2023 consolidated budgets that are prepared on the same basis as the consolidated financial statements.

Unconsolidated General Revenue Fund – Adopted Budget

For the years ended December 31 *(in thousands of dollars)*	2022 Restated	**2023** **Budget**
Revenues		
Property tax	$ 688,491	**$ 720,211**
Property tax credits	(6,346)	**(6,264)**
Business tax	64,435	**66,939**
Business tax credits	(7,439)	**(8,027)**
Other taxation	28,285	**29,182**
Street renewal frontage levy	64,184	**82,574**
Government transfers	150,794	**190,759**
Regulation fees	79,509	**80,286**
Sale of goods and services	51,817	**56,589**
Interest	7,318	**7,168**
Transfer from other funds	17,878	**19,095**
Utility dividend	37,278	**38,262**
Other	18,350	**23,221**
	1,194,554	**1,299,995**
Expenses		
Police service	310,649	**316,175**
Public works	154,145	**159,189**
Fire paramedic service	215,041	**219,951**
Community services	111,145	**113,694**
Corporate	90,733	**115,229**
Planning, property and development	34,582	**35,668**
Water and waste	22,391	**23,980**
Street lighting	13,815	**13,709**
Assessment and taxation	18,579	**20,035**
Assets and project management	8,551	**8,565**
Innovation and technology	21,261	**21,531**
City clerk's	11,982	**12,591**
Corporate finance	8,337	**8,577**
Customer service and communications	7,012	**8,081**
Human resource services	7,319	**7,748**
Other departments	18,594	**22,404**
Operational expenditures	1,054,136	**1,107,127**
Capital related expenses (e.g. transfers to street renewal reserves and debt and finance charges)	140,418	**192,868**
Balanced Budget	$ –	$ **–**

Accounting Pronouncements

PSAB has issued several pronouncements that may impact the City's future financial statements. The pronouncements the City will be reviewing to determine their impact on the Statements include:

- In June 2011, PSAB approved two new standards: section 3450 Financial Instruments and section 2601 Foreign Currency Translation. Both standards must be adopted in the same fiscal period. The new standards are effective for fiscal years beginning on or after April 1, 2022. Upon adoption, the City must also adopt the related financial statement presentation changes in Section 1201 Financial Statement Presentation and Section 3041 Portfolio Investments.
- In March 2018, PSAB issued section 3280 Asset Retirement Obligations. This standard addresses recognition, measurement and disclosure of legal obligations associated with the retirement of tangible capital assets. The new standards are effective for fiscal years beginning on or after April 1, 2022.
- In November 2018, PSAB issued section PS 3400 Revenues. This standard addresses revenue recognition principles that apply to revenues common in the public sector other than government transfers and tax revenue. The new standard is effective for fiscal years beginning on or after April 1, 2023.
- In December 2020, PSAB approved the Public Private Partnerships standard, Section PS 3160. The standard addresses the accounting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. This standard is effective for fiscal years beginning on or after April 1, 2023.

REQUEST FOR INFORMATION

The Financial Statement Discussion and Analysis and the Statements are designed to provide citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show accountability for the revenue it receives. Both the Annual Financial Report and the Detailed Financial Statements Document are available online at **winnipeg.ca**. Questions concerning the information provided in these reports should be addressed to John Speidel, CPA, CGA – Corporate Controller, Corporate Finance Department, 4-510 Main Street, Winnipeg, Manitoba, R3B 1B9.



Catherine Kloepfer, FCPA, CGA, FCA, ICD.D.
Chief Financial Officer
May 16, 2023

RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying Consolidated Financial Statements and all other information contained in this Annual Report are the responsibility of the management of The City of Winnipeg. The preparation of periodic financial statements involves the use of estimates and approximations because the precise determination of financial information frequently depends on future events. These Consolidated Financial Statements have been prepared by management within reasonable limits of materiality and within the framework of Canadian public sector accounting standards.

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

Prior to their submission to City Council, the Consolidated Financial Statements are reviewed and approved by the Audit Committee. The Consolidated Financial Statements contained herein were approved by Audit Committee on May 16, 2023. In addition, the Audit Committee meets periodically with management and with both the City's internal and external auditors to approve the scope and timing of their respective audits, to review their findings and to satisfy itself that their responsibilities have been properly discharged. The Audit Committee is readily accessible to external and internal auditors.

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



Catherine Kloepfer, FCPA, CGA, FCA, ICD.D.
Chief Financial Officer
May 16, 2023

INDEPENDENT AUDITORS' REPORT

To the Mayor and Members of City Council of The City of Winnipeg

Opinion

We have audited the consolidated financial statements of The City of Winnipeg (the "Entity"), which comprise the consolidated statement of financial position as at December 31, 2022, the consolidated statements of operations and accumulated surplus, changes in net financial liabilities and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2022, and its consolidated results of operations, its consolidated changes in net financial liabilities and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "*Auditor's Responsibilities for the Audit of the Financial Statements*" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity‘s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants
May 16, 2023
Winnipeg, Canada

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31 (in thousands of dollars)	**2022**	2021
Financial Assets		
Cash and cash equivalents (Note 3)	**$ 857,804**	$ 909,496
Accounts receivable (Note 4)	**331,773**	328,329
Investments (Note 5)	**401,225**	390,650
Investment in government businesses (Note 6)	**19,977**	22,689
Land held for resale	**10,527**	8,883
	1,621,306	1,660,047
Liabilities		
Accounts payable and accrued liabilities (Note 7)	**350,063**	291,341
Deferred revenue (Note 8)	**416,926**	376,641
Debt (Note 9)	**1,463,134**	1,482,968
Other liabilities (Note 10)	**151,447**	152,807
Employee benefits obligations (Note 11)	**248,844**	239,436
	2,630,414	2,543,193
Net Financial Liabilities	**(1,009,108)**	(883,146)
Non-Financial Assets		
Tangible capital assets (Note 12)	**8,021,705**	7,829,569
Inventories	**28,915**	26,717
Prepaid expenses and deferred charges	**11,744**	9,513
	8,062,364	7,865,799
Accumulated Surplus (Note 13)	**$ 7,053,256**	$ 6,982,653
Commitments and contingencies (Notes 14)		

See accompanying notes and schedules to the consolidated financial statements.

Approved on behalf of the Audit Committee:

Mayor Scott Gillingham

Councillor Jeff Browaty
Chairperson, Standing Policy Committee on Finance

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the years ended December 31 (in thousands of dollars)	**Budget 2022** (Note 20)	**Actual 2022**	Actual 2021
Revenues			
Taxation (Note 15)	**$ 827,627**	**$ 836,980**	$ 800,949
Sales of services and regulatory fees (Note 16)	**641,952**	**644,358**	605,229
Government transfers (Note 17)	**215,159**	**226,616**	219,869
Investment income	**31,393**	**43,809**	30,669
Land sales and other revenue (Note 18)	**19,032**	**17,289**	19,695
Total Revenues	**1,735,163**	**1,769,052**	1,676,411
Expenses			
Protection and community services	**598,440**	**615,086**	589,273
Utility operations	**508,325**	**520,525**	481,631
Public works	**361,486**	**418,207**	353,693
Property and development	**135,201**	**131,932**	133,275
Finance and administration	**96,000**	**96,705**	89,713
Civic corporations	**75,038**	**79,456**	63,818
General government	**12,974**	**37,811**	43,058
Total Expenses (Note 19)	**1,787,464**	**1,899,722**	1,754,461
Annual Deficit Before Other	**(52,301)**	**(130,670)**	(78,050)
Other			
Government transfers related to capital (Note 17)	**132,248**	**108,698**	105,592
Developer contributions-in-kind related to capital (Note 12)	**70,670**	**84,767**	63,500
Other capital contributions	**5,800**	**7,808**	11,155
	208,718	**201,273**	180,247
Annual Surplus	**$ 156,417**	**70,603**	102,197
Accumulated Surplus, Beginning of Year		**6,982,653**	6,880,456
Accumulated Surplus, End of Year		**$ 7,053,256**	$ 6,982,653

See accompanying notes and schedules to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL LIABILITIES

For the years ended December 31 (in thousands of dollars)	**Budget 2022** (Note 20)	**Actual 2022**	Actual 2021
Annual Surplus	**$ 156,417**	**$ 70,603**	$ 102,197
Amortization of tangible capital assets	**279,419**	**293,628**	286,475
Proceeds on disposal of tangible capital assets	**6,250**	**6,733**	1,047
Loss on disposal of tangible capital assets	**1,209**	**716**	1,685
Other changes in non-financial assets and net transfers to land held for resale	**1,790**	**(3,420)**	(779)
Developer contributions-in-kind related to capital (Note 12)	**(70,670)**	**(84,767)**	(63,500)
Acquisition of tangible capital assets	**(522,684)**	**(409,455)**	(359,329)
Increase in Net Financial Liabilities	**(148,269)**	**(125,962)**	(32,204)
Net Financial Liabilities, Beginning of Year	**(1,021,998)**	**(883,146)**	(850,942)
Net Financial Liabilities, End of Year	**$ (1,170,267)**	**$ (1,009,108)**	$ (883,146)

See accompanying notes and schedules to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended December 31 (in thousands of dollars)	**2022**	2021
Net Inflow (Outflow) of Cash Related to the Following Activities:		
Operating		
Annual surplus	**$ 70,603**	$ 102,197
Add (deduct) items not impacting cash and cash equivalents		
Amortization of tangible capital assets	**293,628**	286,475
Developer contributions-in-kind related to capital (Note 12)	**(84,767)**	(63,500)
Change in other liabilities and employee benefits obligations	**8,048**	6,788
Change in investments in Government Businesses	**2,712**	807
Loss on sale of tangible capital assets	**716**	1,685
	290,940	334,452
Net change in non-cash working capital balances related to operations (Note 21)	**89,490**	189,138
Net transfer between land held for resale and tangible capital assets	**1,009**	166
Cash provided by operating activities	**381,439**	523,756
Capital		
Acquisition of tangible capital assets	**(409,455)**	(359,329)
Proceeds on disposal of tangible capital assets	**6,733**	1,047
Cash used in capital activities	**(402,722)**	(358,282)
Financing		
Increase in sinking fund investments	**(20,405)**	(19,104)
Service concession arrangements retired	**(5,388)**	(5,065)
Decrease in debt premium and obligation for leased tangible capital assets	**(5,316)**	(5,061)
Increase (decrease) in bank loans and other debt	**11,275**	(42,204)
Cash used in by financing activities	**(19,834)**	(71,434)
Investing		
Net (increase) decrease in investments	**(10,575)**	15,023
Cash (used in) provided by investing activities	**(10,575)**	15,023
(Decrease) increase in cash and cash equivalents	**(51,692)**	109,063
Cash and Cash Equivalents, Beginning of Year	**909,496**	800,433
Cash and Cash Equivalents, End of Year	**$ 857,804**	$ 909,496

See accompanying notes and schedules to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2022
(All tabular amounts are in thousands of dollars, unless otherwise noted)

1. STATUS OF THE CITY OF WINNIPEG

The City of Winnipeg (the "City") is a municipality 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, and tourism services.

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This resulted in governments worldwide, including Canada's federal, provincial and local governments enacting emergency measures to combat the spread of the virus. These measures resulted in the temporary shutdown of various programs and services. As at December 31, 2022, the City's programs and services have been altered as required to ensure compliance with Provincial public health orders, when applicable and reflect consumer demand. Management assessed the financial impact on the City and as at December 31, 2022, the City did not have significant accounting estimate adjustments to reflect the implications of COVID-19.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. 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 by the City. 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:

- Assiniboine Park Conservancy Inc.
- CentreVenture Development Corporation
- The Convention Centre Corporation
- Winnipeg Arts Council Inc.
- Winnipeg Public Library Board

ii) Government businesses

The investments in North Portage Development Corporation, Park City Commons and River Park South Developments Inc. are reported as government business partnerships. 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) Partnerships

Economic Development Winnipeg Inc. is reported as a partnership with the proportionate consolidation method being used. Accordingly, fifty percent of the assets, liabilities, revenues and expenses have been included in the City's consolidated financial statements (Schedule 1).

iv) Pension and group insurance funds

Active, retired and otherwise terminated civic employees and elected officials participate in registered defined benefit pension plans, a multi-employer pension plan and group life insurance plans. Related assets and liabilities under administration for the benefit of these parties have been excluded from the reporting entity and accounted for in accordance with PSAB accounting standards PS 3250 Retirement Benefits.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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) Cash equivalents

Cash equivalents consist of federal and federal guarantee bonds; guaranteed investment certificates; municipal bonds; schedule 1 bank bonds; bankers' acceptances; schedule 2 bankers' acceptances; asset backed commercial paper; and Canada treasury bills. Cash equivalents are recorded at cost, which approximates their quoted market value, and are redeemable on demand or with maturity dates of 90 days or less from the date of acquisition.

d) 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.

e) 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.

f) Unamortized premium on debt

Debt is reported at face value and is adjusted by premiums which are amortized on a straight-line basis over the term to maturity of the respective debt instrument. The corresponding amortization is recorded as interest expense.

g) Solid waste landfills

The obligation to close and maintain solid waste landfill sites is based on the present value of estimated future expenses, adjusted for estimated inflation. The cost of the City's only active landfill is charged to expenses as the landfill site's capacity is used.

h) Contaminated sites

The City recognizes a liability for remediation of contaminated sites when conditions are identified which indicate non-compliance with environmental legislation and when the site is no longer in productive use or an unexpected event resulting in contamination has occurred. The liability reflects the City's best estimate of the amount required to remediate the site to the current minimum standard of use prior to contamination, as of the financial statement date.

Recorded liabilities are adjusted each year for the passage of time, new obligations, changes in management estimates and actual remediation costs incurred.

i) 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.

j) 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the case of the Winnipeg Police Pension Plan, this plan's by-law provides that, in the event of a funding surplus or deficiency, within certain prescribed constraints, the contribution stabilization reserve will be utilized and amendments made to the rate of cost-of-living adjustments to pensions according to specific rules set out in the by-law. Consequently, actuarial gains and losses are recognized immediately to the extent that they are offset by changes in the plan's contribution stabilization reserve and changes in the plan's accrued benefit obligation for future cost-of-living adjustments to pensions.

k) 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 annual surplus, provides the consolidated changes in net financial liabilities.

i) Tangible capital assets

Tangible capital assets are initially 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 tangible capital assets are 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	5 to 40 years
Land improvements	5 to 100 years
Water and waste plants and facilities	
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	20 to 75 years
Transportation	
Roads	10 to 50 years
Bridges and other structures	25 to 75 years

Amortization of tangible capital assets commences when the asset is available for use.

In certain circumstances, assets under construction are charged an administration fee equal to 1.25% 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.

Works of art and historical treasures are not recorded as tangible capital assets.

a) Contributions of tangible capital assets

Developer-contributed tangible capital assets are recorded at their fair value at the date of receipt and when the asset value is measurable. 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 leased tangible capital assets. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

c) Service concession arrangements

Service concession arrangements are long-term performance-based approaches for procuring public infrastructure, where the City contracts with a private sector partner who assumes a major share of the responsibility for the delivery of the infrastructure. The concessionaire is compensated over the period of the arrangements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The arrangements are governed by a contract that sets out performance standards and mechanisms for adjusting prices. The contract is binding on the parties to the arrangement and obliges the concessionaire to maintain the tangible capital asset on behalf of the City.

In the case of tangible capital assets, where the concessionaire bears the construction risk, the timing of initial recognition of the service concession asset by the City will be when the tangible capital asset is available for productive use.

ii) Inventories

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

l) Tax revenues

Tax revenues result from non-exchange transactions that are compulsorily paid to governments in accordance with the laws and regulations established to provide revenue to the government for public services. The revenue is recognized when the tax has been authorized and the taxable event has occurred.

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, no tax revenue is recognized in these consolidated financial statements for amounts collected on behalf of the Province and school divisions, nor are the assets, liabilities, revenues and expenses, with respect to the operations of the school boards (Note 15).

Property taxation revenue is based on market assessments that are subject to appeal. Therefore, a provision has been estimated for assessment appeals outstanding. As well, estimates have been made for property tax amounts owing for prior years that have not yet been assessed at the end of the current fiscal year. By their nature, these estimates are subject to measurement uncertainty and the impact on future financial statements could be material (Note 2o).

m) Government transfers

Government transfers are transfers of monetary assets or tangible capital assets to or from the City that are not the result of an exchange transaction, a direct financial return, or expected to be repaid in the future.

Government transfers received are recognized in the consolidated financial statements as revenue in the financial period in which the transfers are authorized, any eligibility criteria have been met, stipulations, if any, have been met and reasonable estimates of the amounts can be determined.

Stipulations attached to transfers to the City that give rise to an obligation on the City's behalf are deferred in the consolidated financial statements to the extent that the obligation meets the definition of a liability.

n) Loan guarantees

Periodically the City provides loan guarantees on specific debt issued by other entities not consolidated in these financial statements. Loan guarantees are disclosed as contingent liabilities (Note 14c) and no amounts are accrued in the consolidated financial statements until the City considers it likely that the borrower will default on the specified loan obligation. Should a default occur, the City's resulting liability would be recorded in the consolidated financial statements.

o) Use of accounting estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions in such areas as employee benefits, the useful life of tangible capital assets, 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.

p) Budget

The 2022 adopted consolidated budget is included on the consolidated statements of operations and accumulated surplus and changes in net financial liabilities. The budget is compiled from the City Council-approved Operating Budget, estimates for controlled entities, adjustments to report the budget on a full accrual basis including capital revenue adjustments, assets capitalized on the statement of financial position, amortization of tangible capital assets and accruals for unfunded liabilities and administrative adjustments to provide for proper comparison to actual results presented herein.

3. CASH AND CASH EQUIVALENTS

		2022		2021
Cash equivalents	$	**355,188**	$	321,671
Cash		**315,514**		461,010
Restricted cash		**187,102**		126,815
	$	**857,804**	$	909,496

The average effective interest rate for cash equivalents at December 31, 2022 is 3.84% (2021 – 0.60%).

Cash received for interest from all cash, cash equivalents and investments during the year is $40.2 million (2021 – $31.3 million).

Restricted cash above includes advances by the Province for a number of capital projects under various programs and accumulated interest on the advances. There is an external restriction to hold these funds separately until the eligible expenditures have been incurred. An amount equal to the restricted cash amount has been accounted for as deferred revenue (Note 8).

4. ACCOUNTS RECEIVABLE

		2022		2021
Trade accounts and other receivables	$	**192,662**	$	177,848
Province of Manitoba		**63,209**		88,902
Government of Canada		**41,317**		34,650
Allowance for doubtful accounts		**(32,703)**		(28,576)
		264,485		272,824
Property, payments-in-lieu and business taxes receivable		**68,565**		57,005
Allowance for property, payments-in-lieu and business taxes receivable		**(1,277)**		(1,500)
		67,288		55,505
	$	**331,773**	$	328,329

5. INVESTMENTS

		2022		2021
Marketable securities (Note 5a)				
Municipal bonds	$	**111,319**	$	115,794
Provincial bonds		**40,429**		28,729
Federal bonds and related entities		**26,344**		25,733
		178,092		170,256
Manitoba Hydro long-term receivable (Note 5b)		**220,238**		220,238
Other		**2,895**		156
	$	**401,225**	$	390,650

5. INVESTMENTS (CONTINUED)

a) Marketable securities

The aggregate market value of marketable securities at December 31, 2022 is $146.0 million (2021 – $178.4 million) and their maturity dates range from 2023 to 2053.

b) Manitoba Hydro long-term receivable

On February 27, 2002, City Council approved Manitoba Hydro's proposal to purchase Winnipeg Hydro from the City. 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 year ten and continuing thereafter 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 historical average long-term borrowing rate.

6. INVESTMENT IN GOVERNMENT BUSINESSES

a) North Portage Development Corporation

North Portage Development Corporation (the "NPDC") is a government business partnership that is jointly controlled 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 revitalization strategies and to work to ensure financial self-sufficiency. NPDC is responsible for the continuing renewal and stewardship of two sites in Winnipeg 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.

b) Park City Commons

On February 17, 2016 the City and EdgeCorp Developments Ltd. entered into an agreement to form Park City Commons joint venture to develop and sell certain land owned by the participants in the community of Transcona. This joint venture was wound up in June 2022 and the City's equity was distributed, completing this agreement.

c) River Park South Developments Inc.

On April 21, 2011, the City and Qualico Developments (Winnipeg) Ltd. entered into an agreement to jointly develop and sell residential land owned by the partners in the River Park South community of Winnipeg.

Summary of investment in government businesses

		2022		2021
North Portage Development Corporation (1/3 share)	$	**19,512**	$	19,823
Park City Commons (2022 – nil, 2021 – 1/2 share)		**–**		2,396
River Park South Developments Inc. (1/2 share)		**465**		470
	$	**19,977**	$	22,689

Summary of results of operations

		2022		2021
North Portage Development Corporation (1/3 share)	$	**(311)**	$	(71)
Park City Commons (2022 – nil, 2021 – 1/2 share)		**–**		215
River Park South Developments Inc. (1/2 share)		**(5)**		70
	$	**(316)**	$	214

The condensed supplementary financial information of the government business entities are disclosed in schedule 1.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Accrued liabilities	**$ 184,024**	$ 170,846
Trade accounts payable	**158,921**	113,345
Accrued interest payable	**7,118**	7,150
	$ 350,063	$ 291,341

8. DEFERRED REVENUE

	2021	Inflows	Revenue Recognized	2022
Operating				
Prepayment for services	$ 23,318	$ 6,981	$ (5,174)	**$ 25,125**
Government of Canada – Rapid Housing Initiative	14,287	–	(8,522)	**5,765**
Province of Manitoba	1,582	3,198	(2,705)	**2,075**
Other	3,744	1,014	(843)	**3,915**
	42,931	11,193	(17,244)	**36,880**
Capital				
Province of Manitoba	258,157	82,603	(28,029)	**312,731**
Canada Community Building Fund	73,981	46,414	(54,660)	**65,735**
Other	1,572	825	(817)	**1,580**
	333,710	129,842	(83,506)	**380,046**
	$ 376,641	$ 141,035	$ (100,750)	**$ 416,926**

9. DEBT

Sinking fund debentures outstanding

Term	Maturity Date	Rate of Interest	By-Law No.		**2022**		2021
2006–2036	Jul. 17	5.200	183/04, 72/06	**$**	**60,000**	$	60,000
2008–2036	Jul. 17	5.200	72/06B, 32/07		**100,000**		100,000
2010–2041	Jun. 3	5.150	183/08		**60,000**		60,000
2011–2051	Nov. 15	4.300	72/06, 183/08, 150/09		**50,000**		50,000
2012–2051	Nov. 15	3.853	93/11		**50,000**		50,000
2012–2051	Nov. 15	3.759	120/09, 93/11, 138/11		**75,000**		75,000
2013–2051	Nov. 15	4.391	93/11, 84/13		**60,000**		60,000
2014–2045	Jun. 1	4.100	144/11, 23/13, 149/13		**60,000**		60,000
2014–2045	Jun. 1	3.713	100/12, 23/13, 149/13		**60,000**		60,000
2014–2051	Nov. 15	3.893	93/11, 145/13		**52,568**		52,568
2015–2045	Jun. 1	3.828	144/11, 100/12, 23/13, 149/13, 5/15, 61/15		**60,000**		60,000
2016–2045	Jun. 1	3.303	72/06, 23/13, 149/13, 5/15, 96/15, 40/16		**80,000**		80,000
2019-2051	Nov. 15	3.499	6520/94, 6774/96, 6973/97, 6976/97, 7751/01, 72/06, 32/07, 219/07, 184/08, 136/16		**100,000**		100,000
2019-2051	Nov. 15	2.667	6976/97, 7751/01, 219/07, 184/08, 150/09, 40/16, 133/17		**120,000**		120,000
2020-2051	Nov. 15	2.663	183/04, 150/009, 149/13, 5/15, 40/16, 136/16, 133/17		**85,000**		85,000
					1,072,568		1,072,568
Equity in The Sinking Funds (Notes 9a and b)					**(152,454)**		(132,049)
Net sinking fund debentures outstanding					**920,114**		940,519
Other debt outstanding							
Service concession arrangement obligations (Notes 9c and 14d)					**269,399**		274,787
Bank loans and other with varying maturities up to 2046 and a weighted average interest rate of 3.23% (2021 – 2.96%)					**151,803**		140,528
Obligations for leased tangible capital assets (Note 9d)					**17,427**		19,045
					1,358,743		1,374,879
Unamortized premium on debt (Note 9e)					**104,391**		108,089
				$	**1,463,134**	$	1,482,968

Debt segregated by fund/organization:

9. DEBT (CONTINUED)

	2022	2021
General Capital Fund	**$ 817,191**	$ 833,011
Transit System	**242,559**	246,650
Sewage Disposal	**178,538**	182,700
Waterworks System	**100,843**	106,297
Fleet Special Operating Agency	**45,100**	42,115
Consolidated entities	**39,471**	33,107
Solid Waste Disposal	**24,001**	25,040
Other	**13,950**	12,295
Land Drainage	**1,481**	1,753
	$ 1,463,134	$ 1,482,968

Debt to be retired over the next five years and thereafter excluding unamortized premium and equity in sinking funds:

	2023	2024	2025	2026	2027	2028+
Sinking fund debentures	**$ 16,398**	$ 16,398	$ 16,398	$ 16,398	$ 16,398	$ 990,578
Other debt	**40,762**	26,836	22,363	21,052	18,516	309,100
	$ 57,160	$ 43,234	$ 38,761	$ 37,450	$ 34,914	$ 1,299,678

a) As at December 31, 2022, sinking fund assets have a market value of $128.3 million (2021 – $142.0 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 $37.0 million (2021 – $17.6 million) and a market value of $32.6 million (2021 – $18.3 million).

b) For sinking fund securities issued, The City of Winnipeg Charter requires the City to make annual payments to the sinking fund. Sinking fund arrangements are managed in a separate fund by the City. The City is currently paying between 1 to 2% on its outstanding sinking fund debentures. These annual payments are invested for the retirement of the debenture issues on their maturity dates.

c) Service concession arrangement obligations are as follows:

	2022	2021
i) Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass	**$ 131,285**	$ 133,810
ii) Disraeli Bridges	**95,237**	97,168
iii) Chief Peguis Trail Extension	**42,877**	43,809
	$ 269,399	$ 274,787

The City has entered into fixed price design, build, finance and maintain contracts with concessionaires for each project under the following terms:

Debt Repayment Period	Annual Capital and Interest Payments	Interest Rate
i) October 2019 – October 2049	$ 8,350	4.4%
ii) October 2012 – October 2042	$ 9,806	8.1%
iii) January 2012 – January 2042	$ 4,539	8.2%

The City will also make monthly performance-based maintenance payments relating to all service concession arrangements as disclosed in Note 14d.

9. DEBT (CONTINUED)

d) Future minimum lease payments together with the balance of the obligation for leased tangible capital assets are as follows:

2023	$	**3,141**
2024		**5,225**
2025		**1,301**
2026		**1,301**
2027		**1,314**
Thereafter		**11,775**
Total future minimum lease payments		**24,057**
Amount representing interest at a weighted average rate of 8.18%		**(6,630)**
Obligations for leased tangible capital assets	$	**17,427**

e) Included in the Consolidated Statement of Financial Position are investments and cash equivalents of $114.2 million (2021 – $116.8 million) that will be used for making semi-annual debt service payments on the sinking fund debentures issued with a premium.

f) Interest on debt recorded in the Consolidated Statement of Operations and Accumulated Surplus in 2022 is $64.2 million (2021 – $66.3 million) and cash paid for interest during the year is $64.2 million (2021 – $66.5 million).

g) On February 27, 2002, Manitoba Hydro purchased Winnipeg Hydro from the City. As part of the purchase agreement, The City of Winnipeg Sinking Fund Trustees are required to hold Manitoba Hydro Electric Bonds issued by Manitoba Hydro to the City of Winnipeg in connection with the Winnipeg Hydro portion of the City's debt. The bonds were issued for the purpose of enabling the City to repay the Winnipeg Hydro portion of the City's debt, and were issued with identical terms and conditions as to par value, interest and date of maturity as the Winnipeg Hydro portion of the City's debt. The bonds are guaranteed by the Province of Manitoba and are non-transferable and non-redeemable prior to maturity. This debt has been defeased under this arrangement, and accordingly, is not reported in the Consolidated Statement of Financial Position. The book value of this debt as at December 31, 2022 is $60.0 million (2021 – $60.0 million).

10. OTHER LIABILITIES

		2022		2021
Landfill	$	**68,680**	$	75,230
Expropriation		**52,928**		55,018
Contaminated sites		**8,136**		5,269
Developer deposits and other		**21,703**		17,290
	$	**151,447**	$	152,807

Landfill

Included in landfill liabilities is the estimated total landfill closure and post-closure care expenses. The estimated liability for the City's only active landfill is recognized as the landfill site's capacity is used. Estimated total expenses represent the sum of the discounted future cash flows for future closure and post-closure care activities discounted at the City's average, long-term borrowing rate of 4.0% (2021 – 3.5%). Amounts to be accrued in future years as the landfill's capacity is consumed are estimated at $29.6 million (2021 – $34.6 million).

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 greater than 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.

The estimated remaining capacity of the City's one remaining landfill, the Brady Road Landfill Site, is 82% (2021 – 82%) of its total capacity and its remaining life is estimated to be over 100 years after which perpetual post-closure maintenance is required.

The Landfill Rehabilitation Reserve was established for the purpose of providing funding, over time, for closure and post-closure landfill needs including leachate management, environmental monitoring and site restoration costs for active and closed landfills maintained under the responsibility of the City. It is financed through a monthly transfer from the Solid Waste Disposal Fund based on tonnages processed at the landfill. As at December 31, 2022, the reserve had a balance of $4.5 million (2021 – $5.1 million) (Schedule 3).

Contaminated sites

As of December 31, 2022, the liability for contaminated sites includes sites associated with former City operations, sites acquired through tax forfeiture, and historical acquisition of properties. The nature of contamination includes chemicals, heavy metals, salt, and other organic and inorganic contaminants. The sources of contamination include underground fuel storage tanks, fuel handling, vehicle storage and maintenance, snow storage and soil lead concentration.

Liability estimates are based on environmental site assessments or are derived by extrapolating remediation costs incurred by the City for similar sites.

11. EMPLOYEE BENEFIT OBLIGATIONS

		2022		2021
Retirement allowance and compensated absences (Note 11a)	$	**126,882**	$	122,944
Vacation (Note 11b)		**56,562**		55,670
Workers compensation (Note 11c)		**59,536**		54,831
Defined benefit pension plans (Note 11d)		**5,864**		5,991
	$	**248,844**	$	239,436

11. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

a) Retirement allowance and compensated absences

Under the retirement allowance programs, upon retirement, death or termination of service under certain conditions (excluding resignation), qualifying employees may be entitled to a cash pay-out based on the value of the employees' remaining accumulated sick leave bank. In addition, certain employees may be entitled to a severance benefit based on length of service.

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

Adjustments arising from plan amendments, changes in assumptions, and experience gains and losses are amortized on a straight-line basis over 15.0 years (2021 – 15.0 years) for retirement allowance and compensated absences, which represents the expected average remaining service life of the employee group. Amortization is calculated beginning in the year following the year the actuarial gains or losses occur.

The City measures its accrued retirement allowance and compensated absences obligations as at December 31 of each year. An actuarial valuation of the obligation was calculated as of July 31, 2020. The results of this valuation were extrapolated to the financial reporting date of December 31, 2022 using year-end assumptions.

Information about the City's retirement allowance benefit plan and compensated absences are as follows:

	Retirement Allowance	Compensated Absences	Total 2022	Total 2021
Obligation balance, beginning of year	$ **82,177**	$ **60,004**	$ **142,181**	$ 149,748
Current service cost	**5,307**	**6,032**	**11,339**	11,927
Interest cost	**2,003**	**1,519**	**3,522**	2,781
Actuarial gain	**(13,927)**	**(9,188)**	**(23,115)**	(7,672)
Benefit payments	**(8,009)**	**(5,493)**	**(13,502)**	(14,603)
Obligation balance, end of year	**67,551**	**52,874**	**120,425**	142,181
Unamortized net actuarial gain (loss)	**18,450**	**(11,993)**	**6,457**	(19,237)
Accrued benefit liability	$ **86,001**	$ **40,881**	$ **126,882**	$ 122,944
Reconciliation of unamortized net actuarial gain (loss):				
Balance beginning of year	$ **4,563**	$ **(23,800)**	$ **(19,237)**	$ (30,060)
Amortization for current year	**(40)**	**2,619**	**2,579**	3,151
Actuarial gain	**13,927**	**9,188**	**23,115**	7,672
Balance end of year	$ **18,450**	$ **(11,993)**	$ **6,457**	$ (19,237)
Expense consists of the following:				
Current service cost	$ **5,307**	$ **6,032**	$ **11,339**	$ 11,927
Interest cost	**2,003**	**1,519**	**3,522**	2,781
Amortization of net actuarial (gain) loss	**(40)**	**2,619**	**2,579**	3,151
	$ **7,270**	$ **10,170**	$ **17,440**	$ 17,859

11. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

The significant actuarial assumptions adopted in measuring the retirement allowance and compensated absences obligations for the year ended December 31 are as follows:

	2022	2021
Discount rate on liability	**4.50%**	2.40%
General increases in pay	**2.50–3.00%**	2.50–3.00%

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.

b) Vacation

Employees are entitled to bank and accrue unused vacation time as outlined in collective bargaining and other agreements. The liability for these benefits is determined using current rates of pay and is undiscounted.

c) Workers compensation

Section 73 of The Workers Compensation Act groups employers into five broad classes (Classes A to E). Employers in Classes A to D, known as individually assessed employers, are individually liable for the claim costs of their workers plus their share of annual administrative costs of Manitoba's workers compensation system. The City is in Class D.

The liability, as determined by the Workers Compensation Board of Manitoba, for work related injury benefits including provision of medical aid, wage loss, compensation, permanent partial impairment awards, long latency diseases and fatalities.

d) Defined benefit pension plans

		2022		2021
i) Councillors' pension plans:				
a) Pension plan established under By-Law number 3553/83	**$**	**3,640**	$	3,640
b) Pension plan established under By-Law number 7869/2001		**(252)**		(125)
ii) Supplementary Executive Pension Plan		**2,476**		2,476
	$	**5,864**	$	5,991

i) Councillors' pension plans

a) 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. This plan has no dedicated assets or contributions and benefit payments are paid by the City in accordance with the plan's provisions. In 2022, the City paid out $0.3 million (2021 – $0.3 million). An actuarially determined pension obligation of $3.6 million (2021 – $3.6 million) has been reflected in the employee benefit obligations on the Consolidated Statement of Financial Position.

b) Pension plan established under By-Law number 7869/2001

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. All members of Council are required to become members of the Council Benefits Program (the "Program"). Members of the Program contribute 6 1/2% of their Canada Pension Plan earnings plus 7 1/2% of any earnings in excess of their Canada Pension Plan earnings. The City makes contributions to the Program as required, based on the recommendation of the actuary.

An actuarial valuation of the Program was prepared as at December 31, 2019 and extrapolated to December 31, 2022 by Mercer (Canada) Limited (the "actuary"). The actuarial present value of accrued pension benefits for the valuation was determined using the projected benefit method pro-rated on service and using assumptions approved by the Board with input from the actuary.

11. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

The significant long-term assumptions used in the valuation of accrued pension benefits provided for a discount rate on liabilities of 5.35% (2021 – 4.20%) per annum, a rate of return on assets of 5.35% (2021 – 4.20%) per annum, and a general rate of salary increase of 2.50% (2021 – 2.50%) per annum. The results of the valuation indicated an obligation at December 31, 2022 of $6.9 million (2021 – $8.1 million), which is offset by assets in the plan of $7.2 million (2021 – $8.2 million), resulting in net assets of $0.3 million (2021 – $0.1 million).

Total contributions made by the City to the Program in 2022 were $0.6 million (2021 – $0.5 million). Total program member contributions to the Program in 2022 were $0.1 million (2021 – $0.1 million). In 2022, this Program paid out $0.7 million (2021 – $0.4 million) in benefits including commuted values.

ii) Supplementary Executive Pension Plan

The Supplementary Executive Pension Plan (the "Plan") was established January 1, 2001. Senior management are eligible for the plan when established by employment contract. This plan has no dedicated assets or contributions and benefit payments are paid by the City in accordance with the plan's provisions. In 2022, the City paid benefits of $0.1 million (2021 – $0.1 million). An actuarially determined pension obligation of $2.5 million (2021 – $2.5 million) has been reflected in the accrued employee benefit obligation on the Consolidated Statement of Financial Position.

iii) Winnipeg Police Pension Plan

The Winnipeg Police Pension Plan (the "WPP 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 WPP Plan's benefits other than cost-of-living adjustments and to contribute 2% 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, when permitted under provincial pension legislation. The WPP Plan incorporates a risk-sharing arrangement under which actuarial surpluses are first allocated to maintain the rate of cost-of-living adjustments to pensions at 75% of the inflation rate and maintain the contribution stabilization reserve. Thereafter actuarial surpluses are shared equally between the City and WPP Plan members. Funding deficiencies are resolved through reductions in the WPP Plan's contribution stabilization reserve and the rate of cost-of-living adjustments to pensions.

An actuarial funding valuation of the WPP Plan was prepared as of December 31, 2021. The valuation revealed a funding excess, which, in accordance with the terms of the WPP Plan, was resolved by an increase in the contribution stabilization reserve and by increasing the rate of cost-of-living adjustments to pensions from 50.0% to 52.5% of the inflation rate.

An actuarial valuation of the WPP Plan as of December 31, 2022 is to be prepared and may be filed with the Office of the Superintendent – Pension Commission. In addition to a calculation of the actuarial surplus or funding deficiency, in accordance with pension legislation in Manitoba, the WPP Plan must also be valued under the hypothetical scenario that the WPP Plan is wound up and members' benefit entitlements settled on the valuation date. As of the date of the last valuation of the Plan that was filed with the Office of the Superintendent – Pension Commission, December 31, 2020, the actuarial valuation showed that the WPP Plan has a solvency deficiency at December 31, 2020 under this wind-up scenario. This deficiency is being addressed by the City by obtaining a yearly renewable letter of credit with face value equal to the accumulated value of additional contributions with interest that would otherwise be required.

The results of the December 31, 2021 actuarial valuation of the WPP Plan were extrapolated to December 31, 2022. In accordance with the terms of the WPP Plan, surpluses and deficiencies are resolved through transfers to and from the contribution stabilization reserve and increases or reductions in the rate of cost-of-living adjustments to pensions. The principal long-term assumptions on which the extrapolation was based were: discount rate of 4.75% per year (2021 – 4.75%); inflation rate of 3.50% for one year followed by 2.00% per year (2021 – 3.50% for two years followed by 2% per year); and general pay increases of 3.25% per year (2021 – 3.25%). The accrued pension obligation was valued using the projected benefit method pro-rated on services.

11. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

Based on this valuation and extrapolation, the Plan's assets, accrued pension obligation and pension expenses are as follows:

	2022	2021
WPP Plan assets:		
Fair value, beginning of year	**$ 2,115,947**	$ 1,866,360
Employer contributions	**38,380**	37,223
Employee contributions and transfers	**15,723**	16,299
Benefits and expenses paid	**(68,402)**	(66,432)
Net investment income	**(59,182)**	262,497
Fair value, end of year	**2,042,466**	2,115,947
Actuarial adjustment	**(53,577)**	(235,965)
Actuarial value, end of year	**$ 1,988,889**	$ 1,879,982
Accrued pension costs and obligations:		
Beginning of year	**$ 1,821,795**	$ 1,696,294
Interest on accrued pension obligation	**86,307**	80,346
Current period benefit cost	**58,794**	56,819
Actuarial loss (gain)	**26,174**	54,768
Benefits and expenses paid	**(68,402)**	(66,432)
End of year	**$ 1,924,668**	$ 1,821,795
Funded status	**$ 64,221**	$ 58,187
Less: city account	**(32)**	(7)
Less: contribution stabilization reserve	**(64,189)**	(58,180)
Actuarial surplus	**$ –**	$ –
Expenses related to pensions:		
Current period benefit cost	**$ 58,794**	$ 56,819
Amortization of actuarial gains	**(2,038)**	(1,714)
Less: employee contributions and transfers	**(15,723)**	(16,299)
Pension benefit expense	**41,033**	38,806
Interest on accrued benefit obligation	**86,307**	80,346
Expected return on plan assets	**(88,960)**	(81,929)
Pension interest income	**(2,653)**	(1,583)
Total expenses related to pensions	**$ 38,380**	$ 37,223

The actuarial value of the WPP 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 WPP Plan in 2022 were $38.4 million (2021 – $37.2 million). Total employee contributions to the WPP Plan in 2022 were $14.2 million (2021 – $13.8 million). Benefits paid from the WPP Plan in 2022 were $67.0 million (2021 – $64.8 million).

The expected rate of return on WPP Plan assets in 2022 was 4.75% (2021 – 4.75%). The actual rate of return, net of investment expenses, on the fair value of WPP Plan assets in 2022 was a negative return of 2.81% (2021 – 14.11%).

As the City's contributions to the WPP Plan each year are equal to its pension expense, no accrued pension asset or liability is reflected in the Consolidated Statement of Financial Position. As noted above, the WPP Plan provides that within certain prescribed constraints, in the event of a funding deficiency, a transfer from the contribution stabilization reserve and amendments to the rate of cost- of-living adjustments to pensions will be utilized to resolve the deficiency,

and vice versa in the event of a surplus. The above extrapolation anticipates that the funding surplus at December 31, 2022 will be resolved through an allocation to both the city account and contribution stabilization reserve and an increase in the rate of cost-of-living adjustments.

e) Other benefit plans

i) Winnipeg Civic Employees' Benefits Program

The Winnipeg Civic Employees' Benefits Program (the "Benefits Program") is a multi-employer benefit program governed by an independent board of trustees and a trust agreement that limits the City's contribution rate. Accordingly, the Benefits Program is accounted for similar to a defined contribution benefits program. The Benefits Program provides pension and disability benefits to all City of Winnipeg employees, other than police officers, and to employees of certain other participating employers.

Members' contribution rates were 9.5% of their Year's Maximum Pensionable Earnings under the Canada Pension Plan and 11.8% of pensionable earnings in excess of the Year's Maximum Pensionable Earnings in 2022, and for future years, consistent with 2021. The City and participating employers are required to make matching contributions.

An actuarial valuation of the Benefits Program was prepared as at December 31, 2021, which indicated an excess of actuarial value of program assets over actuarial liabilities of $223.5 million. The Pension Trust Agreement specifies how actuarial surpluses can be used but does not attribute actuarial surpluses to individual employers. However, a portion of the actuarial surpluses is allocated to a City Account that the City and other participating employers may use to finance reductions in their contributions. In the event of unfavourable financial experience, additional amounts may be transferred from the City Account to cover a funding deficiency.

The balance of the City Account at December 31, 2022 was nil (2021 – nil).

Total contributions by the City to the Benefits Program in 2022 were $54.2 million (2021 – $53.4 million), which were expensed as incurred.

ii) Group Life Insurance Plan

Employees of the City who are members of the Civic Employees' Pension Plan or the Winnipeg Police Pension Plan must become members of the Civic Employees' Group Life Insurance Plan and the Police Employees' Group Life Insurance Plan, (the "Plans") respectively. These plans provide life insurance for members while employed and can be continued into retirement at the employees' option. The Plans members and the City share the cost of basic life insurance until retirement. An actuarial valuation as of December 31, 2019 indicated that this post-retirement liability is fully funded. A new actuarial valuation being undertaken as of December 31, 2022 is expected to be completed in 2023.

During 2015, City Council approved by-law 80/2015 in respect of the Plans. The purpose of the by-law was to transfer the Plans' administration from the Winnipeg Civic Employees' Benefits Program and the Winnipeg Police Pension Board to The Civic and Police Employees' Group Life Insurance Plans Corporation ("CPEGLIPCo"). The Province of Manitoba approved the establishing of CPEGLIPCo as a municipal corporation. The benefits offered by the Plans have not changed.

The Plans are administered and managed by CPEGLIPCo, including investment management. The investments are held to meet the Plans' benefit obligations and the City cannot unilaterally access any surplus funds. As such, the City expenses contributions as incurred and the Plan's assets and liabilities are excluded from the City's consolidated financial statements.

An actuarial valuation of the Plans was prepared as of December 31, 2019 and the results were extrapolated to December 31, 2022. The principal long-term assumptions on which the valuation and extrapolation was based were: discount rate of 5.50% per year (2021 – 5.00%); and general pay increases of 3.25% per year (2021 – 3.25%). 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 Plans is as follows:

		2022		2021
Group life insurance plan assets, at actuarial value	**$**	**196,423**	$	190,949
Accrued post-retirement life insurance obligations	**$**	**98,576**	$	104,190

12. TANGIBLE CAPITAL ASSETS

	Net Book Value	
	2022	2021
General		
Land	**$ 340,600**	$ 336,309
Buildings	**823,311**	839,105
Vehicles	**217,272**	237,123
Computer	**40,944**	37,636
Other	**390,455**	284,340
Infrastructure		
Plants and facilities	**825,861**	636,268
Roads	**1,984,339**	1,944,635
Underground and other networks	**2,440,088**	2,365,061
Bridges and other structures	**643,358**	657,811
	7,706,228	7,338,288
Assets under construction	**315,477**	491,281
	$ 8,021,705	$ 7,829,569

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Schedule 2).

During the year, there were no write-downs of tangible capital assets (2021 – $nil). Interest capitalized during 2022 was $2.7 million (2021 – $3.1 million). In addition, roads and underground networks contributed to the City totaled $84.8 million in 2022 (2021 – $63.5 million) and were capitalized at their fair value at the time of receipt and when the asset value is measurable.

Included in the above net book values are $618.3 million (2021 – $632.9 million) of tangible capital assets that were acquired through service concession arrangements.

The net book value of land includes estimated, yet to be determined settlements for land expropriations.

13. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2022	2021
Invested in tangible capital assets	**$ 6,693,213**	$ 6,468,698
Reserves (Schedule 3)	**348,986**	324,934
Other surplus accumulated in utility operations, consolidated entities and other	**111,888**	280,599
Manitoba Hydro long-term receivable (Note 5)	**220,238**	220,238
Equity in government businesses (Note 6)	**19,977**	22,689
Unfunded expenses to be funded from future revenues:		
Accrued employee benefits and other	**(262,263)**	(252,039)
Landfill (Note 10)	**(68,680)**	(75,230)
Contaminated sites (Note 10)	**(8,136)**	(5,269)
Canadian Museum for Human Rights grant	**(1,967)**	(1,967)
	$ 7,053,256	$ 6,982,653

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.

14. COMMITMENTS AND CONTINGENCIES

The significant commitments and contingencies existing at December 31, 2022 are as follows:

a) Operating leases

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

2023	$	**9,212**
2024		**8,982**
2025		**8,548**
2026		**8,079**
2027		**7,607**
Thereafter		**37,365**
	$	**79,793**

b) Legal obligations

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, 2022 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. Where the occurrence of future events is considered undeterminable, no amount has been accrued in the financial statements.

c) Loan guarantees

The City has also unconditionally guaranteed the payment of principal and interest on capital improvement loans and line of credits for several organizations. The outstanding balance on these loans as at December 31, 2022 is $32.3 million (2021 – $34.1 million). The City does not anticipate incurring future payment on these guarantees, and therefore no amount has been included as a liability.

Some of the line of credits that are guaranteed are not fully utilized at December 31. The authorized limit of these guarantees is $35.4 million (2021 – $36.5 million).

These guarantees cover various periods expiring between 2026 and no stated expiry date.

d) Service concession arrangements

As disclosed in Note 9(c), the City will pay the concessionaire monthly performance-based maintenance payments that are adjusted by CPI until the end of the service concession contract are as follows:

		Annual Maintenance
i) Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass	$	3,200
ii) Disraeli Bridges	$	1,800
iii) Chief Peguis Trail Extension	$	1,500

e) Veolia agreement

On April 20, 2011, the City entered into an agreement ("Agreement") with VWNA Winnipeg Inc. ("Veolia") for the provision of expert advice to the City to assist with construction and operating improvements to the City's sewage treatment system (the "Program"). The Agreement commenced May 1, 2011, and has a term of 30 years, subject to certain termination provisions.

The City's sewage treatment system treats and handles wastewater and resulting residuals at its existing three major sewage treatment facilities, the South End, West End and North End Water Pollution Control Centres (the "Facilities"). Veolia's role is to provide services to the City. Representatives of Veolia are working collaboratively with representatives of the City providing advice and recommendations in respect of the City's (i) management and operation of the Facilities (ii) assessment, planning and delivery of upgrades and capital modification to the Facilities; and (iii) assessment, planning and delivery of operational improvement to the Facilities during the term of this agreement.

14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

The Program does not include the City's supply of water or its waterworks system or work relating to the collection system or land drainage system.

Under the Agreement, the City: retains complete ownership of all the sewage system assets; continues to exercise control over the sewage treatment systems by means of City Council budget approvals and by setting service quality standards that will be reported publicly on a regular basis; continues to control operating and maintenance parameters by which the sewage system shall operate; and retains full accountability for compliance with regulatory permits and licenses.

Decisions for the sewage treatment system are made by the City based upon the best advice of City management and Veolia experts working together.

The Agreement provides both parties with a variety of responsibilities, rights, protections, and obligations reflecting reasonable commercial terms.

Compensation to Veolia under the Agreement includes the following components:

1. Reimbursement of Veolia's actual direct costs related to the Program ("Direct Costs");
2. An agreed-upon margin percentage which is applied to Direct Costs of the Program. The quantum of the margin percentage is dependent on the nature of the cost ("Fee");
3. For capital projects and operations under the Program, a target cost is to be set. Veolia is to receive a share of the savings when actual operating costs and/or capital costs are below target costs ("Gainshare"). Veolia is to receive a share of the expense when actual operating costs and/or capital costs are above target costs ("Painshare");
4. Key performance indicators ("KPIs") will be established under the Program. Veolia is to earn amounts for achieving or completing established KPIs ("KPI earnings"), and to be deducted amounts for failing to achieve minimum KPIs ("KPI Deductions"); and
5. Positive interest adjustment to the Earnings at Risk Account ("EARA").

The Agreement only guarantees payment to Veolia in respect of the Direct Costs incurred in providing services as indicated in item 1 in the above paragraph.

Amounts earned by Veolia over the term of the Agreement (Fee, Gainshare, KPI earnings and EARA interest adjustment) are credited to an Earning at Risk Account (EARA). In 2022, total EARA accrued is $7.1 million (2021 – $3.9 million). Painshare and KPI deductions reduce the EARA. All of these amounts remain at risk for the duration of the Agreement and are not guaranteed to be paid to Veolia, and by their nature, are dependent on the financial and overall results of the Program.

Veolia's withdrawals of amounts from the EARA are subject to certain limits and security posting requirements. In 2022, Veolia withdrew $nil (2021 – $nil) from EARA and replaced this at risk amount with a standby letter of credit. Total EARA secured by a standby letter of credit at December 31, 2022 is $13.1 million (2021 – $13.1 million).

If at the end of the 30-year term the EARA is negative, Veolia must repay the City this amount.

The Agreement requires a Performance Guarantee Security ("PGS"), which is a letter of credit and performance bond that together provide security to the City. In addition to the PGS, Veolia provides a Parental Guarantee by its parent company.

f) Forgivable loans

The City has received funding from the federal and provincial governments for the purchase of certain properties. Repayment of this funding is not required as long as the properties operate as an affordable housing complex or offer services for the homeless. As at December 31, 2022, the forgivable loans totaled $1.3 million (2021 – $1.7 million). As payments are forgiven a revenue is recognized.

15. TAXATION

		2022		2021
Municipal and school property taxes	$	**1,345,985**	$	1,328,889
Payments-in-lieu of property (municipal and school) taxes		**56,623**		49,805
		1,402,608		1,378,694
Payments to Province and school divisions		**(727,416)**		(729,019)
Net property taxes and payments-in-lieu of property taxes available for municipal purposes		**675,192**		649,675
Local improvement and frontage levies		**65,726**		64,433
Business and payments-in-lieu of business taxes		**58,129**		57,146
Electricity and natural gas sales taxes		**24,164**		22,263
Amusement and accommodation taxes and mobile home licences		**13,769**		7,432
	$	**836,980**	$	800,949

The property tax roll includes school taxes of $690.0 million (2021 – $698.8 million) assessed and levied on behalf of the Province and school divisions. Payments-in-lieu of school taxes assessed in 2022 totalled $37.4 million (2021 – $30.2 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.

The business tax roll includes an amount assessed and levied on behalf of business improvement zones of $6.6 million (2021 – $6.5 million). Collections of this levy are remitted to the business improvement zones and excluded from business taxes.

16. SALES OF SERVICES AND REGULATORY FEES

		2022		2021
Water sales and sewage services	$	**347,808**	$	350,570
Other sales of goods and services		**151,533**		131,444
Regulatory fees		**83,636**		82,949
Transit fares		**61,381**		40,266
	$	**644,358**	$	605,229

17. GOVERNMENT TRANSFERS

	2022	2021
Operating		
Province of Manitoba		
Municipal Operating Grant	**$ 139,802**	$ 139,804
Public Safety	**23,955**	23,955
	163,757	163,759
Less: Support for Provincial Programs	**(23,650)**	(23,650)
	140,107	140,109
Transfer for paramedic services	**50,316**	48,199
Other	**15,701**	15,210
	206,124	203,518
Government of Canada		
Transit	**9,000**	–
Rapid Housing Initiative	**8,522**	10,986
Other	**2,970**	5,365
	20,492	16,351
Total Operating	**226,616**	219,869
Capital		
Province of Manitoba		
Accelerated Regional Street Renewal Project	**18,392**	20,490
Strategic Infrastructure Basket	**11,303**	6,440
Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass	**382**	653
Waverley underpass	**50**	516
Transit Bus Purchases	**–**	2,900
Other	**4,374**	6,004
	34,501	37,003
Government of Canada		
Canada Community Building Fund (Note 8)	**54,660**	42,622
Accelerated Regional Street Renewal Project	**18,389**	20,490
Assiniboine Park Conservancy	**243**	3,907
Waverley underpass	**50**	519
Other	**855**	1,051
	74,197	68,589
Total Capital	**108,698**	105,592
	$ 335,314	$ 325,461

In accordance with the recommendations of the Public Sector Accounting Board, government transfers, to the extent a liability does not exist, 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.

18. LAND SALES AND OTHER REVENUE

	2022	2021
Land sales	$ **6,969**	$ 6,995
Contributions in lieu of land dedication	**1,770**	1,298
(Loss) income from government businesses (Note 6)	**(316)**	214
Other	**8,866**	11,188
	$ **17,289**	$ 19,695

19. EXPENSES BY OBJECT

	2022	2021
Salaries and benefits	$ **980,478**	$ 932,407
Goods and services	**530,604**	429,939
Amortization of tangible capital assets	**293,628**	286,475
Interest (Note 9f)	**64,202**	66,324
Other expenses	**30,810**	39,316
	$ **1,899,722**	$ 1,754,461

20. BUDGET

On December 15, 2021 Council approved the 2022 budget for the City, including operating budgets for tax supported, utility, special operating agency and reserve operations as well as a capital budget. Included in the Council approved 2022 budget is the 2022 consolidated budget that considers inter-fund transaction eliminations, tangible capital asset based revenues and amortization, controlled entity operations and the accrual of unfunded expenses. The resulting 2022 consolidated budget has been used in these consolidated financial statements.

21. CHANGES IN NON-CASH WORKING CAPITAL BALANCES

	2022	2021
Accounts receivable	$ **(3,444)**	$ (72,883)
Land held for resale	**(1,644)**	(928)
Accounts payable and accrued liabilities	**58,722**	26,207
Deferred revenue	**40,285**	237,687
Inventories	**(2,198)**	(1,133)
Prepaid expenses and deferred charges	**(2,231)**	188
	$ **89,490**	$ 189,138

22. 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 (Schedule 3) that enables the City to carry a large self-insured retention level which mitigates the effect of poor claims experience in any given year.

23. 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.

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 4).

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 services these departments are responsible for include: police response, crime prevention, traffic safety and enforcement, fire and rescue response, fire and injury prevention, medical response and emergency management.

Community Services

The Community Services department provides public services that contribute to neighbourhood development and sustainability and is responsible for the following services: recreation, community liveability, libraries, arts, entertainment and culture.

Planning

The Planning, Property and Development department provides a diverse bundle of services. Services it is responsible for include: city planning, neighbourhood revitalization, development approvals, building permits and inspections, heritage conservation, property asset management, economic development and cemeteries.

Public Works and garbage collection

The Public Works department is responsible for the following services: roadway construction and maintenance, transportation planning and traffic management, roadway snow removal and ice control, street lighting, parks and urban forestry, insect control and city beautification. The Water and Waste department is responsible for garbage collection operations.

Finance and Administration

Finance and Administration is comprised of Assessment and Taxation, City Clerks, Audit, Corporate Finance, Innovation and Technology, Legal Services, Human Resource Services, Council, Mayor's Office, Customer Service and Communication, Chief Administration Office and Policy and Strategic Initiatives departments. Services these departments are responsible for include: innovation, transformation and technology, organizational support services, assessment, taxation and corporate, council services and contact centre – 311.

Transit System fund

The Transit department is responsible for providing local public transportation service including conventional transit, Transit Plus and chartered and special events transit.

Water and Waste funds

The Water and Waste department consists of four distinct utilities and provides the following services: water, wastewater, land drainage and flood control, solid waste disposal and recycling and waste diversion.

Other Funds and Corporations

This segment consists of the General Capital Fund, Reserve Funds (Schedule 3), Special Operating Agencies, Municipal Accommodations Fund and consolidated entities (Note 2ai).

24. CONTRACTUAL RIGHTS

Developer contributions

The City has entered into a number of property development agreements which require the developers to contribute various infrastructure assets to the City, including roads and underground networks. The timing and extent of these future contributions vary depending on development activity and fair value of the assets received at time of contribution, which cannot be determined with certainty at this time.

25. FUNDS HELD IN TRUST

The City receives funds from various entities including Winnipeg Civic Employees' Benefits Program which are administered under the terms of an investment agreement and invested on a pooled basis to obtain maximum investment returns. These investments are accounted for as a trust and the relating cash equivalents balances of $25.7 million (2021 – $28.7 million) are not included in the consolidated financial statements.

Additional Trust funds administered by the City for the benefit of external parties, total $4.3 million (2021 – $3.8 million), are not included in the consolidated financial statements

26. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation made in the current year. No comparative figure reclasses resulted in changes to annual surplus.

CONSOLIDATED SCHEDULE OF GOVERNMENT BUSINESSES AND PARTNERSHIP

Schedule 1

As at and for the years ended (in thousands of dollars)

	GOVERNMENT BUSINESSES								GOVERNMENT PARTNERSHIP	
	North Portage Development Corporation		Park City Commons		River Park South Developments Inc.		Total		Economic Development Winnipeg[1]	
	March 31		December 31		December 31				December 31	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
FINANCIAL POSITION										
Assets										
Current	**$ 5,185**	$ 6,889	**$ –**	$ 2,491	**$ 2,473**	$ 2,506	**$ 7,658**	$ 11,886	**$ 4,157**	$ 3,869
Capital	**73,614**	73,970	**–**	–	**–**	–	**73,614**	73,970	**714**	807
Other	**283**	452	**–**	–	**–**	–	**283**	452	**–**	–
	$ 79,082	$ 81,311	**$ –**	$ 2,491	**$ 2,473**	$ 2,506	**$ 81,555**	$ 86,308	**$ 4,871**	$ 4,676
Liabilities										
Current	**$ 4,344**	$ 4,240	**$ –**	$ –	**$ 1,543**	$ 1,566	**$ 5,887**	$ 5,806	**$ 366**	$ 61
Long-term	**16,203**	17,602	**–**	–	**–**	–	**16,203**	17,602	**651**	1,033
	20,547	21,842	**–**	–	**1,543**	1,566	**22,090**	23,408	**1,017**	1,094
Net equity	**58,535**	59,469	**–**	2,491	**930**	940	**59,465**	62,900	**3,854**	3,582
	$ 79,082	$ 81,311	**$ –**	$ 2,491	**$ 2,473**	$ 2,506	**$ 81,555**	$ 86,308	**$ 4,871**	$ 4,676
City share	**$ 19,512**	$ 19,823	**$ –**	$ 2,396	**$ 465**	$ 470	**$ 19,977**	$ 22,689	**$ 1,927**	$ 1,791
RESULTS OF OPERATIONS										
Revenues	**$ 12,870**	$ 12,473	**$ –**	$ 415	**$ 2**	$ 153	**$ 12,872**	$ 13,041	**$ 8,576**	$ 6,975
Expenses	**13,805**	12,687	**–**	3	**12**	13	**13,817**	12,703	**8,311**	6,701
Net income (loss)	**$ (935)**	$ (214)	**$ –**	$ 412	**$ (10)**	$ 140	**$ (945)**	$ 338	**$ 265**	$ 274
City share	**$ (311)**	$ (71)	**$ –**	$ 215	**$ (5)**	$ 70	**$ (316)**	$ 214	**$ 133**	$ 137

[1] The City proportionally consolidates fifty percent of Economic Development Winnipeg's assets, liabilities, revenues and expenses with adjustments to their results including elimination of transactions with the City, such as grants provided by the City and recording the City's portion of the Special Event Marketing Fund.

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS Schedule 2

As at December 31 (in thousands of dollars)

	General					Infrastructure					Totals	
	Land[1]	Buildings	Vehicles	Computer	Other	Plants and Facilities	Roads	Under-ground and Other Networks	Bridges and Other Structures	Assets Under Construc-tion	2022	2021
Cost												
Balance, beginning of year	$ 336,309	$ 1,377,625	$ 497,414	$ 200,630	$ 644,499	$ 1,026,955	$ 3,461,994	$ 3,670,176	$ 990,006	$ 491,281	$ 12,696,889	$ 12,318,803
Add: Additions during the year	5,643	20,252	9,887	14,604	139,742	211,364	138,317	128,679	1,856	(175,804)	494,540	424,110
Less: Disposals during the year	1,352	57,392	16,106	4,663	181	3,868	9,153	3,121	–	–	95,836	46,024
Balance, end of year	340,600	1,340,485	491,195	210,571	784,060	1,234,451	3,591,158	3,795,734	991,862	315,477	13,095,593	12,696,889
Accumulated amortization												
Balance, beginning of year	–	538,520	260,291	162,994	360,159	390,687	1,517,359	1,305,115	332,195	–	4,867,320	4,622,690
Add: Amortization	–	35,354	29,609	10,365	33,625	21,771	92,943	53,652	16,309	–	293,628	286,475
Less: Accumulated amortization on disposals	–	56,700	15,977	3,732	179	3,868	3,483	3,121	–	–	87,060	41,845
Balance, end of year	–	517,174	273,923	169,627	393,605	408,590	1,606,819	1,355,646	348,504	–	5,073,888	4,867,320
Net Book Value of Tangible Capital Assets	$ 340,600	$ 823,311	$ 217,272	$ 40,944	$ 390,455	$ 825,861	$ 1,984,339	$ 2,440,088	$ 643,358	$ 315,477	$ 8,021,705	$ 7,829,569

[1] Included in land additions is $0.318 million (2021 – $1.281 million) of land transfers from land held for resale.
[1] Included in land disposals is $1.327 million (2021 – $1.447 million) of land transfers to land held for resale.

CONSOLIDATED SCHEDULE OF RESERVES Schedule 3

As at December 31 (in thousands of dollars)		**2022**		2021
RESERVES				
Capital Reserves				
Environmental Projects	**$**	**197,348**	$	115,324
Water Meter Renewal		**23,417**		12,548
Water Main Renewal		**18,252**		12,372
Waste Diversion		**17,331**		10,882
Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment		**13,389**		12,880
Sewer System Rehabilitation		**4,941**		3,081
Landfill Rehabilitation		**4,535**		5,119
Canada Community-Building Fund		**3,572**		1,416
Computer, Critical Systems and Support		**3,293**		3,521
Southwest Rapid Transit Corridor		**1,297**		1,276
Local Street Renewal		**709**		824
Transit Bus Replacement		**411**		30
Regional Street Renewal		**291**		347
		288,786		179,620
Special Purpose Reserves				
Perpetual Maintenance Fund – Brookside Cemetery		**18,886**		18,431
Contributions in Lieu of Land Dedication		**12,278**		10,881
Housing Rehabilitation Investment		**4,435**		4,011
Insurance (Note 22)		**4,404**		5,075
Workers Compensation		**3,336**		4,427
Commitment		**2,832**		4,998
Destination Marketing		**2,822**		3,197
Land Operating*		**2,368**		6,909
General Purpose		**1,685**		1,080
Perpetual Maintenance Fund – St. Vital Cemetery		**1,421**		1,363
Perpetual Maintenance Fund – Transcona Cemetery		**1,047**		988
Insect Control Urgent Expenditures		**888**		3,000
Multi-Family Dwelling Tax Investment		**826**		902
Heritage Investment		**821**		854
Economic Development Investment		**16**		2,106
Permit		**–**		2,000
		58,065		70,222
Stabilization Reserve				
Financial Stabilization		**2,135**		75,092
TOTAL RESERVES	**$**	**348,986**	$	324,934

*This excludes the investments held for the River Park South Developments Inc. and Park City Commons government business partnerships.

		2022		2021
Reserve balance as disclosed above	**$**	**2,368**	$	6,909
Investments held in government business (Note 6)		**465**		2,866
	$	**2,833**	$	9,775

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE—SERVICE Schedule 4

For the year ended December 31, 2022 (in thousands of dollars)

	GENERAL REVENUE FUND									
	PROTECTION	COMMUNITY SERVICES	PLANNING	PUBLIC WORKS AND GARBAGE COLLECTION	FINANCE AND ADMIN-ISTRATION	TRANSIT SYSTEM FUND	WATER AND WASTE FUNDS	OTHER FUNDS AND CORPORA-TIONS[1]	ELIMINA-TIONS	CONSOLI-DATED
REVENUES										
Taxation	$ 340,056	$ 74,101	$ –	$ 290,623	$ 128,110	$ –	$ –	$ 22,247	$ (18,157)	$ 836,980
Sales of services and regulatory fees	47,032	12,304	34,758	9,233	23,903	64,243	406,714	113,489	(67,318)	644,358
Government transfers (Note 17)	109,574	9,128	–	19,750	16,051	51,420	5,969	157,562	(34,140)	335,314
Transfer from other funds	37,112	8,216	(894)	24,562	34,195	114,853	81,353	557,797	(857,194)	–
Other	26,896	5,925	1,789	14,500	19,933	1,192	77,491	55,531	(49,584)	153,673
	560,670	109,674	35,653	358,668	222,192	231,708	571,527	906,626	(1,026,393)	1,970,325
EXPENSES (Note 19)										
Salaries and benefits	478,988	42,360	29,104	82,595	68,224	125,479	78,937	64,110	10,681	980,478
Goods and services	50,838	7,773	4,433	168,930	18,277	69,639	146,663	130,858	(66,807)	530,604
Interest	7,165	3,243	23	3,794	12,239	11,414	13,758	49,423	(36,857)	64,202
Transfer to other funds	13,617	32,238	3,071	115,987	(170,087)	(765)	(6,038)	870,777	(858,800)	–
Other	10,062	24,060	(978)	(12,638)	293,539	52,576	298,310	(281,681)	(58,812)	324,438
	560,670	109,674	35,653	358,668	222,192	258,343	531,630	833,487	(1,010,595)	1,899,722
ANNUAL SURPLUS	$ –	$ –	$ –	$ –	$ –	$ (26,635)	$ 39,897	$ 73,139	$ (15,798)	$ 70,603

[1] This segment includes the revenues and expenses from Government Business and Partnerships (Schedule 1).

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE—SERVICE Schedule 4

For the year ended December 31, 2021 (in thousands of dollars)

	GENERAL REVENUE FUND									
	PROTECTION	COMMUNITY SERVICES	PLANNING	PUBLIC WORKS AND GARBAGE COLLECTION	FINANCE AND ADMIN-ISTRATION	TRANSIT SYSTEM FUND	WATER AND WASTE FUNDS	OTHER FUNDS AND CORPORA-TIONS [1]	ELIMINA-TIONS	CONSOLI-DATED
REVENUES										
Taxation	$ 339,165	$ 72,460	$ –	$ 248,985	$ 145,209	$ –	$ –	$ 11,082	$ (15,952)	$ 800,949
Sales of services and regulatory fees	51,020	6,447	35,255	9,855	20,713	42,256	412,957	90,249	(63,523)	605,229
Government transfers (Note 17)	106,587	9,216	–	20,168	16,215	45,557	6,704	140,629	(19,615)	325,461
Transfer from other funds	19,525	4,475	8,943	13,031	13,658	127,351	145,621	432,076	(764,680)	–
Other	26,815	6,538	2,266	15,491	17,357	1,169	18,210	76,629	(39,456)	125,019
	543,112	99,136	46,464	307,530	213,152	216,333	583,492	750,665	(903,226)	1,856,658
EXPENSES (Note 19)										
Salaries and benefits	465,382	36,033	28,456	76,835	65,129	121,862	75,844	58,107	4,759	932,407
Goods and services	46,398	6,627	4,637	122,098	15,426	52,767	134,879	110,529	(63,422)	429,939
Interest	7,170	3,138	22	3,707	11,251	11,530	13,820	49,853	(34,167)	66,324
Transfer to other funds	18,753	31,217	14,449	116,729	(197,639)	101	(6,769)	801,158	(777,999)	–
Other	5,409	22,121	(1,100)	(11,839)	318,985	50,305	228,332	(257,526)	(28,896)	325,791
	543,112	99,136	46,464	307,530	213,152	236,565	446,106	762,121	(899,725)	1,754,461
ANNUAL SURPLUS	$ –	$ –	$ –	$ –	$ –	$ (20,232)	$ 137,386	$ (11,456)	$ (3,501)	$ 102,197

[1] This segment includes the revenues and expenses from Government Business and Partnerships (Schedule 1).

Statistical Section

December 31, 2022

CONSOLIDATED FINANCIAL STATEMENTS FIVE-YEAR REVIEW

December 31 ("$" amounts in thousands of dollars, except as noted) (Unaudited)		**2022**	2021	2020	2019	2018
1. Population (as restated per Statistics Canada)		**783,096**	772,935	767,250	763,071	752,970
Unemployment rate (per Statistics Canada)						
- Winnipeg CMA (note 1)		**4.7%**	6.8%	9.0%	5.3%	6.3%
- National average		**5.3%**	7.5%	9.7%	5.7%	5.8%
2. Average annual headcount		**10,286**	10,279	10,388	10,638	10,490
3. Number of taxable properties		**243,581**	240,993	238,973	236,380	234,098
Payments-in-lieu of taxes						
Number of properties		**1,115**	1,255	1,521	1,432	1,410
4. Assessment						
- Residential	$	**78,035,117**	76,557,497	75,141,769	70,993,769	69,872,623
- Commercial, industrial and other		**21,577,412**	21,457,395	21,307,140	19,385,942	19,288,744
- Farm and recreational		**386,645**	388,140	436,962	427,772	436,161
	$	**99,999,174**	98,403,033	96,885,871	90,807,483	89,597,528
Assessment per capita (in dollars)	$	**127,697**	127,311	126,277	119,003	118,992
Commercial, industrial and other as a percentage of assessment		**21.58%**	21.81%	21.99%	21.35%	21.53%
5. Tax arrears	$	**68,565**	57,005	67,309	60,120	56,704
6. Tax arrears – per capita (in dollars)	$	**87.56**	73.75	87.73	78.79	75.31
7. Municipal mill rate		**13.468**	13.161	12.861	13.290	12.987
- Adjustment for tax increase		**2.3%**	2.3%	2.3%	2.3%	2.3%
- Adjustment for general assessment (note 2)		**0.0%**	0.0%	(5.4%)	0.0%	(2.8%)
8. Tax Levies						
- Municipal property taxes	$	**655,999**	630,061	608,485	588,365	568,274
- Payments-in-lieu of taxes		**19,193**	21,235	21,310	21,349	20,338
- Local improvement and frontage levies		**65,726**	64,433	65,499	64,256	65,006
- Business taxes and payments-in-lieu of business taxes		**58,129**	55,525	57,839	55,442	57,634
- Electricity and other taxes		**37,933**	29,695	26,861	35,176	34,837
Total taxes levied for municipal purposes		**836,980**	800,949	779,994	764,588	746,089
Taxes levied on behalf of others						
Province and school divisions		**727,416**	729,019	732,304	713,974	699,765
Total taxes levied	$	**1,564,396**	1,529,968	1,512,298	1,478,562	1,445,854
9. Winnipeg CMA consumer price index (per Statistics Canada) (note 1) (annual average)						
- 2002 base year 100		**152.5**	141.5	137.2	136.4	133.3
- Percentage increase		**7.8%**	3.1%	0.6%	2.3%	2.4%
10. Consolidated revenues						
- Municipal Property Taxes	$	**675,192**	649,675	628,059	607,911	586,766
- Other Taxation		**161,788**	151,274	151,935	156,677	159,323
- User charges		**644,358**	605,229	556,624	653,079	645,356
- Government transfers		**335,314**	325,461	421,846	574,630	374,845
- Interest and other revenue		**153,673**	125,019	82,466	147,958	148,010
	$	**1,970,325**	1,856,658	1,840,930	2,140,255	1,914,300
11. Consolidated expenses by function						
- Municipal operations	$	**1,299,741**	1,209,012	1,201,392	1,165,131	1,111,811
- Public utilities		**520,525**	481,631	465,937	456,805	433,215
- Civic corporations		**79,456**	63,818	60,240	81,943	74,004
	$	**1,899,722**	1,754,461	1,727,569	1,703,879	1,619,030

CONSOLIDATED FINANCIAL STATEMENTS FIVE-YEAR REVIEW Cont.

December 31 ("$" amounts in thousands of dollars, except as noted) (Unaudited)		**2022**	2021	2020	2019	2018
12. Growth in accumulated surplus	$	**70,603**	102,197	113,361	436,376	295,270
13. Consolidated expenses by object						
Salaries and benefits	$	**980,478**	932,407	906,039	898,682	860,556
Goods and services		**530,604**	429,939	424,602	463,660	420,798
Amortization		**293,628**	286,475	279,943	266,623	257,362
Interest		**64,202**	66,324	65,142	59,017	51,962
Other expenses		**30,810**	39,316	51,843	15,897	28,352
	$	**1,899,722**	1,754,461	1,727,569	1,703,879	1,619,030
14. Payments to school authorities	$	**727,416**	729,019	732,304	713,974	699,765
15. Debt						
Tax-supported	$	**813,285**	815,033	815,507	799,319	685,939
Transit		**256,799**	258,372	292,880	281,747	147,444
City-owned utilities		**348,639**	349,842	352,402	296,062	214,687
Other		**92,474**	83,681	94,773	94,294	87,706
Total gross debt		**1,511,197**	1,506,928	1,555,562	1,471,422	1,135,776
Less: Sinking Funds		**152,454**	132,049	112,945	98,849	82,065
Total net long-term debt	$	**1,358,743**	1,374,879	1,442,617	1,372,573	1,053,711
Percentage of total assessment		**1.36%**	1.40%	1.49%	1.51%	1.18%
Debt per capita	$	**1,735**	1,779	1,880	1,799	1,399
16. Additions of tangible capital assets	$	**494,540**	424,110	409,444	872,771	613,849
17. Net financial liabilities	$	**1,009,108**	883,146	850,942	841,786	678,915
18. Accumulated surplus						
Invested in tangible capital assets	$	**6,693,213**	6,468,698	6,311,139	6,235,368	5,836,664
Reserves						
Capital		**288,786**	179,620	215,767	245,746	168,606
Stabilization		**2,135**	75,092	119,891	107,766	110,961
Special Purpose		**58,065**	70,222	77,338	71,970	68,992
		348,986	324,934	412,996	425,482	348,559
Surpluses						
Manitoba Hydro long-term receivable		**220,238**	220,238	220,238	220,238	220,238
Other surpluses		**131,865**	303,288	257,821	188,124	220,806
Unfunded expenses		**(341,046)**	(334,505)	(321,738)	(302,117)	(295,548)
		11,057	189,021	156,321	106,245	145,496
	$	**7,053,256**	6,982,653	6,880,456	6,767,095	6,330,719
19. Government-specific indicators						
Assets-to-liabilities		**3.68**	3.75	3.94	4.05	4.58
Financial assets-to-liabilities		**0.62**	0.65	0.64	0.62	0.62
Public debt charges-to-revenues		**0.03**	0.04	0.04	0.03	0.03
Own-source revenues-to-taxable assessment		**0.02**	0.02	0.02	0.02	0.02
Government transfers-to-revenues		**0.17**	0.18	0.23	0.27	0.20

Notes: 1. The Winnipeg Census Metropolitan Area (CMA) is an economic region defined by Statistics Canada.
2. Current provincial legislation requires that a general assessment be performed every two years, with the exception of 2022 where a one year delay was approved due to COVID-19. A general assessment occurred in 2014, 2016, 2018 and 2020, and the next general assessment will be 2023 due to the one year delay. In the year of a general assessment, the mill rate is adjusted to offset the effect of market value changes of the entire assessment base.



City Contact Information

Information on the City of Winnipeg is available at **winnipeg.ca**
Inquiries may also be directed to **311** | Outside of Winnipeg: **1-877-311-4974**

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