THE CITY OF WINNIPEG
WINNIPEG PARKING AUTHORITY - SPECIAL OPERATING AGENCY

PROJECTED STATEMENT OF FINANCIAL POSITION

As at December 31
(in thousands of dollars)

	Note	Actual 2023	Council Adopted 2024	Projected 2024	2025	2026	2027
FINANCIAL ASSETS							
Cash		$ 11	$ 71	$ 12	$ 71	$ 71	$ 71
Accounts receivable, net		5,958	3,110	4,053	2,510	2,510	2,510
Due from The City of Winnipeg - General Fund	3	4,053	3,082	1,084	-	-	-
		10,022	6,263	5,149	2,581	2,581	2,581
LIABILITIES							
Due to The City of Winnipeg - General Revenue Fund	3	-	-	-	5,925	9,155	11,394
Accounts payable and accrued liabilities		614	669	601	1,471	1,471	1,471
Deferred revenue - safety and accessibility surcharges	4	1,176	-	1,100	1,000	1,100	1,200
Deferred revenue - other		272	1,445	460	584	636	705
Debt	5	3,918	3,918	3,918	3,918	3,918	3,918
Accrued employee benefits	6	702	802	802	882	970	1,067
		6,682	6,834	6,881	13,780	17,250	19,755
NET FINANCIAL ASSETS/(LIABILITIES)		3,340	(571)	(1,732)	(11,199)	(14,669)	(17,174)
NON-FINANCIAL ASSETS							
Tangible capital assets	7	3,934	6,009	4,041	11,439	14,409	16,565
Inventories		123	183	124	183	183	183
Prepaid expenses		3	-	3	-	-	-
		4,060	6,192	4,168	11,622	14,592	16,748
ACCUMULATED SURPLUS		$ 7,400	$ 5,621	$ 2,436	$ 423	$ (77)	$ (426)

See accompanying notes and schedules to the financial statements

THE CITY OF WINNIPEG
WINNIPEG PARKING AUTHORITY - SPECIAL OPERATING AGENCY

PROJECTED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Years Ended December 31
(in thousands of dollars)

	Note	Actual 2023	Council Adopted 2024	Projected Actual 2024	Variance	2025	2026	2027
REVENUES								
Enforcement		$ 8,831	10,363	$ 8,612	(1,751)	$ 10,306	$ 10,289	$ 10,289
Meters		6,380	8,829	6,354	(2,475)	8,846	8,862	8,879
Parking Fees								
Surface Parking Lots		1,450	2,602	1,718	(884)	2,719	2,790	2,844
Millennium Library Parkade		1,501	1,640	1,532	(108)	1,320	1,356	1,383
Vehicles for Hire Permits & Fees		2,053	1,942	2,299	357	1,982	1,982	1,982
Vehicles for Hire - Safety and accessibility surcharges		452	625	625	-	700	700	700
Special Events		543	379	584	205	269	272	274
Residential Parking Permits		93	148	93	(55)	235	240	245
Interest received		383	23	378	355	25	25	25
Sundry		74	75	130	55	58	58	58
Total Revenues		21,760	26,626	22,325	(4,301)	26,460	26,574	26,679
EXPENSES								
Salaries & Employee Benefits		4,470	6,080	5,151	(929)	6,289	6,504	6,680
Services								
Parking Enforcement		3,186	3,204	3,559	355	3,264	3,329	3,395
Meters		1,243	1,641	1,679	38	1,612	1,638	1,638
Vehicles for Hire - Safety and accessibility programs		452	625	625	-	700	700	700
Parkade Management		321	607	316	(291)	621	636	636
Vehicles for Hire		304	438	436	(2)	448	455	461
Utilities		275	350	266	(84)	356	362	366
Special Events		140	105	164	59	105	105	105
Other Services		863	1,216	1,233	17	1,173	1,193	1,189
Provision for Bad Debts		1,356	1,234	1,012	(222)	1,234	1,234	1,234
Materials, Parts and supplies		862	2,084	2,178	94	2,117	2,057	2,019
Amortization		665	484	503	19	577	612	678
Debt and Finance Charges		307	389	332	(57)	361	511	605
Recoveries		(21)	(3)	(15)	(12)	(3)	(3)	(3)
Other		1,247	1,239	1,152	(87)	1,299	1,315	1,327
Total Expenses		15,670	19,693	18,591	(1,102)	20,153	20,648	21,030
ANNUAL SURPLUS		6,090	6,933	3,734	(3,199)	6,307	5,926	5,649
Accumulated Surplus/(Deficit) - Beginning		6,511	7,386	7,400	14	2,436	423	(77)
Distribution to City		(5,201)	(8,698)	(8,698)	-	(8,320)	(6,426)	(5,998)
		1,310	(1,312)	(1,298)	14	(5,884)	(6,003)	(6,075)
ACCUMULATED SURPLUS (DEFICIT)		$ 7,400	$ 5,621	$ 2,436	$ (3,185)	$ 423	$ (77)	$ (426)

See accompanying notes and schedules to the financial statements

THE CITY OF WINNIPEG
WINNIPEG PARKING AUTHORITY - SPECIAL OPERATING AGENCY

PROJECTED STATEMENT OF CASH FLOWS

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

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

	Actual 2023	Council Adopted 2024	Projected Actual 2024	Variance	2025	2026	2027
OPERATING							
Annual surplus	$ 6,090	$ 6,933	$ 3,734	$ (3,199)	$ 6,307	$ 5,926	$ 5,649
Non-cash charges to operations							
Amortization	665	484	503	19	577	612	678
Retirement allowance and compensated absences	11	73	100	27	80	88	97
	6,766	7,490	4,337	(3,153)	6,964	6,626	6,424
Net change in non-cash working capital balances related to operations	718	947	2,003	1,056	2,381	152	169
Accounts Receivable	259	939	1,905	966	1,543	-	-
Accounts Payable	149	68	(13)	(81)	870	-	-
Deferred Revenue	205	(4)	112	116	24	152	169
Inventories	108	(59)	(1)	58	(59)	-	-
Prepaid	(3)	3	-	(3)	3	-	-
Cash provided by operating activities	7,484	8,437	6,340	(2,097)	9,345	6,778	6,593
FINANCING							
Change in due to The City of Winnipeg - General Revenue Fund	(2,101)	880	2,969	2,089	7,009	3,230	2,239
Transfer to The City of Winnipeg - General Revenue Fund	(5,201)	(8,698)	(8,698)	-	(8,320)	(6,426)	(5,998)
Cash used in financial activities	(7,302)	(7,818)	(5,729)	2,089	(1,311)	(3,196)	(3,759)
CAPITAL							
Purchase of tangible capital assets	(234)	(560)	(610)	(50)	(7,975)	(3,582)	(2,834)
Cash used in capital activities	(234)	(560)	(610)	(50)	(7,975)	(3,582)	(2,834)
(DECREASE) INCREASE IN CASH	(52)	59	1	(58)	59	-	-
CASH, BEGINNING OF YEAR	63	12	11	(1)	12	71	71
CASH, END OF YEAR	$ 11	$ 71	$ 12	$ (59)	$ 71	$ 71	$ 71

See accompanying notes and schedules to the financial statements

THE CITY OF WINNIPEG
WINNIPEG PARKING AUTHORITY - SPECIAL OPERATING AGENCY

PROJECTED STATEMENT OF CHANGE OF NET FINANCIAL ASSETS/(LIABILITIES)

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

	Actual 2023	Council Adopted 2024	Projected Actual 2024	Variance	2025	2026	2027
ANNUAL SURPLUS	$ 6,090	$ 6,933	$ 3,734	$ (3,199)	$ 6,307	$ 5,926	$ 5,649
Amortization of tangible capital assets	665	484	503	19	577	612	678
Change in inventories and prepaid expense	105	(56)	(1)	55	(56)	-	-
Transfer to the City of Winnipeg - General Revenue Fund	(5,201)	(8,698)	(8,698)	-	(8,320)	(6,426)	(5,998)
Acquisition of tangible capital assets	(234)	(560)	(610)	(50)	(7,975)	(3,582)	(2,834)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	1,425	(1,897)	(5,072)	(3,175)	(9,467)	(3,470)	(2,505)
NET FINANCIAL ASSETS/(LIABILITIES), BEGINNING OF YEAR	1,915	1,326	3,340	2,014	(1,732)	(11,199)	(14,669)
NET FINANCIAL ASSETS/(LIABILITIES), END OF YEAR	$ 3,340	$ (571)	$ (1,732)	$ (1,161)	$ (11,199)	$ (14,669)	$ (17,174)

See accompanying notes and schedules to the financial statements

THE CITY OF WINNIPEG
WINNIPEG PARKING AUTHORITY - SPECIAL OPERATING AGENCY

NOTES TO THE PROJECTED FINANCIAL STATEMENTS

For the three years ending December 31, 2027
(all tabular amounts are in thousands of dollars, unless otherwise noted)

1. Description of Business

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

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

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

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

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

The Agency provides screening and collection services for City by-law penalty notices issued under the Municipal By-Law Enforcement Act (MBEA), effective November 20, 2017.

The Vehicles for Hire division of the Agency came into effect February 28, 2018, under the Vehicles for Hire By-law No. 129/2017. It provides licensing, oversight, and enforcement of the vehicles for hire industry.

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.

Management assessed the financial impact on the Agency and as at December 31, 2023, the Agency did not have significant accounting estimate adjustments to reflect the implications of COVID-19. Management believes it has sufficient liquidity to sustain operations.

2. Significant Accounting Policies

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

a) Basis of accounting

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

b) Deferred revenue

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 or services performed.

2. Significant Accounting Policies (continued)

c) Non-financial assets

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

i) Tangible capital assets

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

Property, equipment and leasehold improvements are amortized on a straight-line basis over the estimated useful life of the asset. The amortization rates are as follows:

Leasehold improvements	15 - 30 Years
Parking surfaces	5%
Parkades	4%
Vehicles	20%
Meters and pay stations	10%
Equipment	10-20%
Computer equipment	33%
Office furniture and equipment	20%
Parkade betterments	5%

ii) Leases

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

iii) Inventories

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

d) Employee benefit plan

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 retirement benefits have been accounted for based on actuarially determined amounts using the projected benefits method prorated on services and management's best estimate of retirement ages of employees, salary escalation and plan investment performance. Actuarial gains and losses are amortized on a straight-line basis over the average remaining service period. The liabilities are discounted using current interest rates on long-term bonds.

e) Use of estimates

The preparation of financial statement in conformity with Canadian generally acceptable accounting principles requires management to make estimates. These estimates and assumptions are based on the City's best information and judgment and may differ significantly from actual results.

3. Due to/Due from The City of Winnipeg - General Revenue Fund

The City of Winnipeg operates a centralized treasury function with a single operating bank account in the General Revenue Fund. Consequently, the Agency does not have a bank account. Bank transactions are credited or charged to the "Due to/Due from" account when they are processed through the bank. Interest is charged or credited based on the City's average short-term cost of funds, which is a function of the Bank of Canada rate.

4. Deferred revenue - safety and accessibility surcharges

Deferred revenue - safety and accessibility surcharges result from additional surcharges that are applied to every trip.

The safety surcharge is applied to personal transportation providers trips. All revenue raised from this surcharge will be used to support programs that promote safety and security in the vehicle for hire industry for drivers and passengers.

The accessibility surcharge is a per trip fee charged to both personal transportation provider dispatchers and to taxi dispatchers, who do not have a minimum number of accessible vehicles in their fleet providing accessible service. The accessibility surcharge is applicable to a licensed dispatcher if less than 10% of a dispatchers fleet is comprised of accessible (wheelchair) vehicles. All revenue from the accessibility surcharge is used to support programs to improve accessible service within the vehicle for hire industry.

5. Debt

	Forecast 2024	2025	2026	2027
The City of Winnipeg - General Revenue Fund				
Start-up loan with no specific terms of repayment	$ 3,918	$ 3,918	$ 3,918	$ 3,918
	$ 3,918	$ 3,918	$ 3,918	$ 3,918

6. Accrued Employee Benefits

a) Retirement allowance and compensated absences

	Forecast 2024	2025	2026	2027
Retirement allowance - accrued benefit liability	$ 328	$ 361	$ 397	$ 437
Vacation	463	509	560	616
Compensated absences	11	12	13	14
	$ 802	$ 882	$ 970	$ 1,067

Under the retirement allowance plan, qualifying employees become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The costs are actuarially determined using the projected benefit valuation method pro-rated on services and reflects management's best estimate of retirement ages of employees, salary escalation and length of service. In addition, adjustments arising from plan amendment, changes in assumptions, and experience gains and losses are amortized on a straight-line basis over 16 years, which represents the expected average basis over 16 years, which represents the expected average remaining service life of the employee group. Amortization is calculated beginning in the year following the year of occurrence of the actuarial gains or losses. The Agency measures its accrued retirement allowance liability as at December 31 of each year.

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

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) Pension

The Agency's employees are eligible for pensions under the Winnipeg Civic Employees' Benefits Program. The Plan is a defined benefit plan. The City of Winnipeg allocates its pension costs to various departments.

7. Tangible Capital Assets

	Net Book Value Forecast 2024	2025	2026	2027
Land	73	$ 73	73	73
Parkades	3,307	10,688	13,668	15,892
Authority assets				
Leasehold improvements	115	97	78	61
Parking surfaces	125	106	90	73
Equipment				
Meters and pay stations	3	2	1	-
Equipment	418	473	499	466
Computer equipment	-	-		
	$ 4,041	$ 11,439	14,409	16,565

8. Related Party Transactions

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

	Forecast 2024	2025	2026	2027
a) Sales of goods and services to The City of Winnipeg	323	$ 330	336	343
b) Municipal Accommodations Fund				
Rental of office space	374	374	374	374
Services provided at various locations	43	43	43	43
c) Winnipeg Transit System Fund				
Coin counting and deposit services	48	48	48	48
d) Winnipeg Fleet Management				
Insurance, fuel, maintenance and rental on vehicles owned/leased by the Agency	546	516	505	500
e) General Revenue Fund				
Transfer to the City of Winnipeg General Revenue Fund as a return on investment	8,698	8,320	6,426	5,998
Transfer to the City of Winnipeg Corporate Support Services				
311 services	188	189	190	192
Campus and Public Works HR	114	115	117	119
Assessment and Taxation				
Payments-in-lieu of municipal taxes	99	103	106	110