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 2024	Council Adopted 2025	Projected 2025	2026	2027
FINANCIAL ASSETS						
Cash		$ -	$ 71	$ 71	$ 71	$ 71
Accounts receivable, net		5,014	2,510	4,053	2,510	2,510
Due from The City of Winnipeg - General Fund	3	4,231	-	3,034	-	-
		9,245	2,581	7,158	2,581	2,581
LIABILITIES						
Bank Indebtedness		117	-	-	-	-
Due to The City of Winnipeg - General Revenue Fund	3	-	5,925	-	6,910	8,831
Accounts payable and accrued liabilities		770	1,471	1,471	796	1,053
Deferred revenue - safety and accessibility surcharges	4	1,202	1,000	1,100	1,100	1,200
Deferred revenue - other		255	584	460	637	705
Debt	5	3,918	3,918	3,918	3,918	3,918
Accrued employee benefits	6	674	882	778	822	905
		6,936	13,780	7,727	14,183	16,612
NET FINANCIAL ASSETS/(LIABILITIES)		2,309	(11,199)	(569)	(11,602)	(14,031)
NON-FINANCIAL ASSETS						
Tangible capital assets	7	3,768	11,439	3,753	14,409	16,566
Inventories		97	183	124	183	183
Prepaid expenses		3	-	3	-	-
		3,868	11,622	3,880	14,592	16,749
ACCUMULATED SURPLUS		$ 6,177	$ 423	$ 3,311	$ 2,990	$ 2,718

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 2024	Council Adopted 2025	Projected Actual 2025	Variance	2026	2027
REVENUES							
Enforcement		$ 9,090	10,306	$ 7,696	(2,610)	$ 10,289	$ 10,289
Meters		6,749	8,846	7,790	(1,056)	8,862	8,879
Parking Fees							
Surface Parking Lots		1,715	2,719	1,800	(919)	2,790	2,844
Millennium Library Parkade		1,567	1,320	1,671	351	1,356	1,383
Vehicles for Hire Permits & Fees		2,500	1,982	2,695	713	1,982	1,982
Vehicles for Hire - Safety and accessibility surcharges		656	700	700	-	871	875
Special Events		611	269	684	415	272	274
Residential Parking Permits		259	235	222	(13)	240	245
Interest received		444	25	175	150	25	25
Sundry		92	58	62	4	58	58
Total Revenues		23,683	26,460	23,495	(2,965)	26,745	26,854
EXPENSES							
Salaries & Employee Benefits		4,995	6,289	5,293	(996)	6,519	6,722
Services							
Parking Enforcement		3,510	3,264	3,458	194	3,329	3,395
On-street Parking		1,291	1,612	1,273	(339)	506	486
Vehicles for Hire - Safety and accessibility programs		656	700	700	-	750	750
Parkade Management		299	621	302	(319)	636	636
Vehicles for Hire		336	448	544	96	454	461
Utilities		241	356	322	(34)	394	399
Special Events		148	105	159	54	105	105
Other Services		992	1,173	1,366	193	1,374	1,330
Provision for Bad Debts		755	1,234	942	(292)	1,120	1,083
Materials, Parts and supplies		980	2,117	1,465	(652)	1,948	1,721
Amortization		588	577	576	(1)	618	980
Debt and Finance Charges		335	361	356	(5)	687	905
Recoveries		(21)	(3)	(19)	(16)	(3)	(3)
Other		1,103	1,299	1,304	5	1,194	1,129
Total Expenses		16,208	20,153	18,041	(2,112)	19,631	20,099
ANNUAL SURPLUS		7,475	6,307	5,454	(853)	7,114	6,755
Accumulated Surplus - Beginning		7,400	2,436	6,177	3,741	3,311	2,990
Distribution to City		(8,698)	(8,320)	(8,320)	-	(7,435)	(7,027)
		(1,298)	(5,884)	(2,143)	3,741	(4,124)	(4,037)
ACCUMULATED SURPLUS		$ 6,177	$ 423	$ 3,311	$ 2,888	$ 2,990	$ 2,718

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 2024	Council Adopted 2025	Projected Actual 2025	Variance	2026	2027
OPERATING						
Annual surplus	$ 7,475	$ 6,307	$ 5,454	$ (853)	$ 7,114	$ 6,755
Non-cash charges to operations						
Amortization	588	577	576	(1)	618	980
Retirement allowance and compensated absences	(28)	80	104	24	44	83
	8,035	6,964	6,134	(830)	7,776	7,818
Net change in non-cash working capital balances related to operations	13	2,381	1,738	(643)	989	425
Accounts Receivable	(178)	1,543	961	(582)	1,543	-
Accounts Payable	156	870	701	(169)	(675)	257
Deferred Revenue	9	24	103	79	177	168
Inventories	26	(59)	(27)	32	(59)	-
Prepaid	-	3	-	(3)	3	-
Cash provided by operating activities	8,048	9,345	7,872	(1,473)	8,765	8,243
FINANCING						
Change in due to The City of Winnipeg - General Revenue Fund	944	7,009	1,197	(5,812)	9,944	1,921
Transfer to The City of Winnipeg - General Revenue Fund	(8,698)	(8,320)	(8,320)	-	(7,435)	(7,027)
Cash used in financial activities	(7,754)	(1,311)	(7,123)	(5,812)	2,509	(5,106)
CAPITAL						
Purchase of tangible capital assets	(428)	(7,975)	(561)	7,414	(11,274)	(3,137)
Loss on disposal of tangible capital assets	6	-	-	-	-	-
Cash used in capital activities	(422)	(7,975)	(561)	7,414	(11,274)	(3,137)
(DECREASE) INCREASE IN CASH	(128)	59	188	129	-	-
CASH, BEGINNING OF YEAR	11	12	(117)	(129)	71	71
(BANK INDEBTEDNESS)/CASH, END OF YEAR	$ (117)	$ 71	$ 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 2024	Council Adopted 2025	Projected Actual 2025	Variance	2026	2027
ANNUAL SURPLUS	$ 7,475	$ 6,307	$ 5,454	$ (853)	$ 7,114	$ 6,755
Amortization of tangible capital assets	588	577	576	(1)	618	980
Change in inventories and prepaid expense	26	(56)	(27)	29	(56)	-
Transfer to the City of Winnipeg - General Revenue Fund	(8,698)	(8,320)	(8,320)	-	(7,435)	(7,027)
Loss on disposal of tangible capital assets	6	-	-	-	-	-
Acquisition of tangible capital assets	(428)	(7,975)	(561)	7,414	(11,274)	(3,137)
DECREASE IN NET FINANCIAL ASSETS	(1,031)	(9,467)	(2,878)	6,589	(11,033)	(2,429)
NET FINANCIAL ASSETS/(LIABILITIES), BEGINNING OF YEAR	3,340	(1,732)	2,309	4,041	(569)	(11,602)
NET FINANCIAL ASSETS/(LIABILITIES), END OF YEAR	$ 2,309	$ (11,199)	$ (569)	$ 10,630	$ (11,602)	$ (14,031)

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 two 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.

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.

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.

2. *Significant Accounting Policies (continued)*

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.

g) Change in accounting policy

i) Revenue

On January 1, 2023, the City has prospectively adopted PS 3400 *Revenue* . This standard defines how to account for and report revenue from exchange and non-exchange transactions. There has been no impact to the financial statement results of prior years.

iii) Purchased Intangibles

On January 1, 2023 the City prospectively adopted *PSG - 8 Purchased Intangibles* . This guideline allows the recognition of intangible assets purchased through and exchange transaction. There has been no impact to these financial statements as a result of adopting this guideline.

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

6. Accrued Employee Benefits

a) Retirement allowance and compensated absences

	Forecast 2025	2026	2027
Retirement allowance - accrued benefit liability	$ 176	$ 171	$ 200
Vacation	443	487	536
Compensated absences	159	164	169
	$ 778	$ 822	$ 905

Under the retirement allowance plan, qualifying employees become entitled to a cash payment upon retirement, death or terminatior 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 2025	2026	2027
Land	73	$ 73	73
Parkades	3,002	13,668	15,892
Authority assets			
Leasehold improvements	97	78	61
Parking surfaces	107	90	73
Equipment			
Equipment	474	500	467
	$ 3,753	$ 14,409	16,566

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 2025	2026	2027
a) Sales of goods and services to The City of Winnipeg	330	337	343
b) Municipal Accommodations Fund			
Rental of office space	374	374	374
Services provided at various locations	52	43	43
c) Winnipeg Transit System Fund			
Coin counting and deposit services	36	-	-
d) Winnipeg Fleet Management			
Insurance, fuel, maintenance and rental on vehicles owned/leased by the Agency	635	558	515
e) General Revenue Fund			
Transfer to the City of Winnipeg General Revenue Fund as a return on investment	8,320	7,435	7,027
Transfer to the City of Winnipeg			
Corporate Support Services			
311 services	189	190	192
Campus and Public Works HR	303	307	311
Assessment and Taxation			
Payments-in-lieu of municipal taxes	103	112	116