

City of Portage la Prairie

**Consolidated Financial Statements
For the Year Ended December 31, 2023**

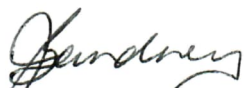
STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the *City of Portage la Prairie* and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants Canada.

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.

Council of the City met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

BDO Canada LLP as the City's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Mayor and members of council and appears on the following page. 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 the municipality in accordance with Canadian Public Sector Accounting Standards.



Jennifer Sandney

Director of Corporate Services



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INDEPENDENT AUDITOR'S REPORT

To the Mayor and members of council of the
City of Portage la Prairie

Report on the Audit of the Consolidated Financial Statements

We have audited the consolidated financial statements of the City of Portage la Prairie (the "City"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations, change in net financial assets, cash flows and supporting schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City at December 31, 2023, and the results of its consolidated operations, change in net financial assets, cash flows and supporting schedules 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 Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City'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 City to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 City'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 City'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 consolidated 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 City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the City to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for the audit opinion.

We 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Chartered Professional Accountants

BDO Canada LLP

Brandon, Manitoba
June 27, 2024

City of Portage la Prairie

Consolidated Financial Statements

For the Year Ended December 31, 2023

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**City of Portage la Prairie
Consolidated Statement of Financial Position
As at December 31, 2023**

	<u>2023</u>	<u>2022</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 104,889,512	\$ 67,326,935
Amounts receivable (Note 4)	9,649,212	7,097,128
Portfolio investments (Note 5)	125,793	121,493
Other inventories for sale (Note 6)	255	254
	<u>\$ 114,664,772</u>	<u>\$ 74,545,810</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 8,360,168	\$ 8,984,305
Unearned revenue (Note 8)	39,270,071	279,294
Asset retirement obligations (Note 9)	582,762	216,596
Long-term debt (Note 10)	16,575,868	10,386,936
	<u>64,788,869</u>	<u>19,867,131</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 49,875,903</u>	<u>\$ 54,678,679</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 167,604,731	\$ 143,231,122
Inventories (Note 6)	452,281	470,415
Real estate properties for sale	391,586	373,411
Prepaid expenses	585,656	272,322
	<u>169,034,254</u>	<u>144,347,270</u>
ACCUMULATED SURPLUS (DEFICIT) (Note 16)	<u>\$ 218,910,157</u>	<u>\$ 199,025,949</u>
ACCUMULATED SURPLUS (DEFICIT) CONSISTS OF		
Accumulated operating surplus (deficit)	\$ -	\$ -
Accumulated remeasurement gains (losses)	-	-
	<u>-</u>	<u>-</u>

COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)

Approved on behalf of council:



Mayor/Reeve



Councillor

The accompanying notes and schedules are an integral part of this financial statement

**City of Portage la Prairie
Consolidated Statement of Operations and Accumulated Operating Surplus
For the Year Ended December 31, 2023**

	2023 Budget (Note 15)	2023 Actual	2022 Actual
REVENUE			
Property taxes	\$ 11,675,138	\$ 12,650,897	\$ 12,159,109
Grants in lieu of taxation	1,757,783	932,359	872,791
User fees	4,573,472	4,628,860	3,861,486
Permits, licences and fines	869,927	420,207	537,897
Investment income	150,000	4,736,486	1,880,844
Other revenue	10,012,860	1,498,124	731,126
Water and sewer	17,447,014	14,603,226	14,432,318
Grants - Province of Manitoba	3,342,943	16,006,572	5,505,503
Grants - other	14,329,434	1,345,138	1,367,579
Total revenue (Schedules 2, 4 and 5)	<u>64,158,571</u>	<u>56,821,869</u>	<u>41,348,653</u>
EXPENSES			
General government services	2,928,273	3,392,991	2,817,539
Protective services	7,123,578	7,171,567	6,340,067
Transportation services	3,828,076	2,866,889	2,427,499
Environmental health services	1,710,345	1,529,945	1,361,346
Public health and welfare services	337,652	239,849	282,713
Regional planning and development	855,082	730,589	755,481
Resource conservation and industrial development	334,035	331,001	236,895
Recreation and cultural services	6,321,930	6,749,286	6,165,952
Water and sewer services	11,929,199	13,925,544	10,914,309
Total expenses (Schedules 3, 4 and 5)	<u>35,368,170</u>	<u>36,937,661</u>	<u>31,301,801</u>
ANNUAL OPERATING SURPLUS (DEFICIT)	<u>\$ 28,790,401</u>	19,884,208	10,046,852
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR		<u>199,025,949</u>	<u>188,979,097</u>
ACCUMULATED OPERATING SURPLUS, END OF YEAR		<u>\$ 218,910,157</u>	<u>\$ 199,025,949</u>

The accompanying notes and schedules are an integral part of this financial statement

**City of Portage la Prairie
Consolidated Statement of Change in Net Financial Assets
For the Year Ended December 31, 2023**

	2023 Budget (Note 15)	2023 Actual	2022 Actual
ANNUAL SURPLUS (DEFICIT)	<u>\$28,790,401</u>	<u>\$ 19,884,208</u>	<u>\$ 10,046,852</u>
Acquisition of tangible capital assets	-	(29,473,716)	(17,675,652)
Amortization of tangible capital assets	-	4,920,358	4,101,860
Loss (Gain) on sale of tangible capital assets	-	(86,006)	(43,052)
Proceeds on sale of tangible capital assets	-	247,581	146,899
Net remeasurement gains (losses)	-	-	-
Decrease (increase) in inventories	-	18,133	(106,660)
Decrease (increase) in prepaid expense	-	(313,334)	(34,690)
	<u>-</u>	<u>(24,686,984)</u>	<u>(13,611,295)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>28,790,401</u>	<u>(4,802,776)</u>	<u>(3,564,443)</u>
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>54,678,679</u>	<u>58,243,122</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 49,875,903</u>	<u>\$ 54,678,679</u>

The accompanying notes and schedules are an integral part of this financial statement

**City of Portage la Prairie
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2023**

	<u>2023</u>	<u>2022</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 19,884,208	\$ 10,046,852
Changes in non-cash items:		
Amounts receivable	(2,552,084)	6,431,906
Inventories	18,133	(106,660)
Prepays	(313,334)	(34,690)
Accounts payable and accrued liabilities	(624,137)	792,413
Severance and sick leave payable	-	-
Unearned revenue	38,990,775	(635,215)
Landfill closure and post closure liabilities	366,166	108,395
Liability for contaminated sites	-	-
Other liabilities	-	-
Loss (Gain) on sale of tangible capital asset	(86,006)	(43,052)
Amortization	4,920,358	4,101,860
	<u>60,604,079</u>	<u>20,661,809</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	247,582	146,899
Cash used to acquire tangible capital assets	(29,473,716)	(17,675,651)
	<u>(29,226,134)</u>	<u>(17,528,752)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	(4,300)	145,591
	<u>(4,300)</u>	<u>145,591</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	8,350,000	4,933,000
Debt repayment	(2,161,068)	(2,021,819)
	<u>6,188,932</u>	<u>2,911,181</u>
INCREASE IN CASH	37,562,577	6,189,829
CASH, BEGINNING OF YEAR	67,326,935	61,137,106
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 104,889,512</u>	<u>\$ 67,326,935</u>

The accompanying notes and schedules are an integral part of this financial statement

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

1. Status of the City of Portage la Prairie

The incorporated City of Portage la Prairie (the "City") is a City that was created in 1907 pursuant to The Municipal Act or was established as of January 1, 2015 pursuant to The Municipal Amalgamations Act. The City provides or funds municipal services such as police, fire, public works, planning, airport, parks and recreation, library and other general government operations. The City also own one utility, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

2. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

a) Reporting Entity

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the council which are controlled by the City. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the City. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the City. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

Portage Handivan Inc.

- provides Handivan services to the residents of the City

The City has several partnership agreements in place, and as such, consistent with Canadian Public Sector Accounting Standards for government partnerships, the following local agencies, boards and commissions are accounted on a proportionate consolidation basis whereby the City's pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

Portage la Prairie Planning District (66.67%) (2022 - 66.67%)

- provides development and sub-division planning services to the residents of the City.

Portage la Prairie Regional Landfill Authority (66.67%) (2022 - 66.67%)

- provides waste disposal services to the residents of the City

Portage la Prairie Regional Library (77.00%) (2022 - 77.00%)

- provides library services to the residents of the City

Portage Regional Recreation Authority Inc. (75.00%) (2022 - 75.00%)

- provides recreational, health and wellness services to the residents of the City

Portage Regional Economic Development (66.67%) (2022 - 66.67%)

- provides tourism, advertising and economic development services for the City

The taxation with respect to the operations of the school divisions are not reflected in the City surplus of these financial statements.

Trust funds and their related operations administered by the City are not consolidated in these financial statements.

b) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

c) Financial instruments

The City as part of its operations carries a number of financial instruments. It is management's opinion that the City is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

The City classifies its financial instruments as either fair value, cost or amortized cost. The City's accounting policy for each category is as follows:

Fair value:

This category includes derivatives and equity instruments quoted in an active market. The City has not designated any of its portfolio investments or borrowings at fair value that would otherwise be classified in the amortized cost category.

Financial instruments in the fair value category are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value on unrestricted investments are recognized in the Consolidated Statement of Remeasurement Gains and Losses until they are realized. When realized they are transferred to the Consolidated Statement of Operations. Changes in fair value on restricted investments are recognized as unearned revenue until the restriction on its use is realized. At that time, the balance is transferred to the Consolidated Statement of Operations.

Cost or amortized cost:

This category includes cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and public debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets, except for donated financial assets, which are initially recognized at fair value.

d) Foreign currency translation

The City's foreign currency risk is reflected in its financial statements. Monetary assets and liabilities, denominated in a foreign currency, are translated at the year-end rate of exchange. Revenue and expense arising from a foreign currency transaction are translated into Canadian dollars at exchange rates approximating those in effect at the transaction date.

At each financial statement date, monetary assets, and liabilities, must be adjusted to reflect the exchange rate in effect at that date. Unrealized foreign exchange gains or losses that arise prior to settlement are recognized in the Consolidated Statement of Remeasurement Gains and Losses.

In the period of settlement, the cumulative amount of foreign exchange gains and losses is removed from the Consolidated Statement of Remeasurement Gains and Losses and is recognized in the Consolidated Statement of Operations.

e) Cash and cash equivalents

Cash equivalents include short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

f) Portfolio Investments

Portfolio investments are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method.

Portfolio investments denominated in a foreign currency are translated to the Canadian dollar equivalent at the exchange rate in effect at December 31. Changes in the value of portfolio investments due to foreign currency changes are recorded in the Statement of Remeasurement Gains and Losses until the investments are sold.

Investment income on portfolio investment investments, denominated in a foreign currency, are translated to Canadian dollar equivalents at the exchange rate in effect at the date of the transaction.

g) Real Estate Properties Held for Sale

Real estate properties held for sale are recorded at the lower of cost and net realizable value. Cost includes the amount of acquisition, legal fees, and improvements to prepare the properties for sale or servicing.

It is reasonably anticipated that real estate properties held for resale will be sold outside the reporting entity within one year of the balance sheet date.

h) 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 (debt) for the year.

Real estate properties and inventories held for sale are classified as non-financial assets if it is anticipated that the sale will not be completed within one year of the reporting date.

i) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The City does not capitalize internal finance charges as part of the cost of its tangible capital assets.

General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	4 years

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years
Water and Sewer	
Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the City, forests, water, and other natural resources are not recognized as tangible capital assets.

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership or 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.

j) Revenue Recognition

Revenues are recognized as they are earned and measurable.

Government transfers are recognized in the financial statements when the transfer is authorized and eligibility criteria are met except, when and to the extent, stipulations by the transferor gives rise to an obligation that meets the definition of a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfers with stipulations an equivalent amount of revenue is recognized as the liability is settled.

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

Interest revenue is recognized

Water and sewer revenue, permits, fees, fines and user fees are recognized when the related goods or service are provided to the customer and collection is reasonably assured.

Unearned revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

k) Asset Retirement Obligations

Asset retirement obligations reflect the legal obligations arising from the retirement of the City's tangible capital assets, and are recognized when:

- there is a legal obligation for the City to incur costs in relation to a specific tangible capital asset,
- there is a past transaction or event causing the liability that has occurred,
- when economic benefits will need to be given up to remediate the liability, and
- when a reasonable estimate of the liability can be made.

Tangible capital assets that are in use, no longer in use, or that are leased may all give rise to asset retirement obligations.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the City derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of operations.

l) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. The City:
 - is directly responsible; or
 - accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

m) Inventories

Inventories held for sale are recorded at the lower of cost and net realizable value.

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

n) Measurement Uncertainty

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued amounts are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.

Measurement uncertainty in these financial statements exists in the estimate of asset retirement obligations. The liability associated with asset retirement obligations reflects the best estimates by management of the amount required to remediate such liabilities, the timing when such remediation will occur, and the estimated future cash flows associated with asset retirement discounted to the financial statement date. The actual future cash flows and timing of obligations arising from asset retirement may differ significantly from these estimates.

o) Future Changes in Accounting Standards

A number of new and amended Canadian public sector accounting standards have been issued and not applied in preparing these financial statements. These standards will come into effect as follows:

- PS 3400 Revenue (effective January 1, 2024), a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue. Earlier adoption is permitted.
- PS 3160 Public Private Partnerships (effective January 1, 2024), is a new standard establishing guidance on the recognition, measurement and disclosure of public private partnerships arrangements. Earlier adoption is permitted.
- PSG - 8 Purchased intangibles (effective January 1, 2024) provides guidelines on the accounting and reporting for purchased intangible assets that are acquired through arm's length exchange transactions between knowledgeable, willing parties that are under no compulsion to act.

These new accounting standards have not been applied in preparing these consolidated financial statements.

The City is currently assessing the impact of the new standards, and the extent of their impact on the consolidated financial statements has not yet been determined.

3. Cash and cash equivalents

Cash and cash equivalents are comprised of the following:

	<u>2023</u>	<u>2022</u>
Cash	<u>\$ 104,889,512</u>	<u>\$ 67,326,935</u>

Cash equivalents include short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. The City has designated \$101,588,486 (2022 \$61,015,862) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2023</u>	<u>2022</u>
Taxes on roll (Schedule 11)	\$ 1,244,655	\$ 1,035,343
Government grants	4,268	314,787
Utility customers	2,079,325	3,359,313
Organizations and individuals	5,851,277	2,110,953
Other governments	641,760	447,517
	<u>9,821,285</u>	<u>7,267,913</u>
Less allowances for doubtful amounts	<u>(172,073)</u>	<u>(170,785)</u>
	<u>\$ 9,649,212</u>	<u>\$ 7,097,128</u>

5. Portfolio Investments

	<u>2023</u>	<u>2022</u>
Guaranteed investment certificate and term deposits	<u>\$ 125,793</u>	<u>\$ 121,493</u>

The aggregate market value of the marketable securities at December 31, 2023 is \$125,793 (2022 - \$121,493). Portfolio investments earned \$1,950 in investment income during the year (2022 - \$1,883).

6. Inventories

Inventories for sale:

	<u>2023</u>	<u>2022</u>
Food and beverages	<u>\$ 255</u>	<u>\$ 254</u>

Inventories for use:

	<u>2023</u>	<u>2022</u>
Chemicals, herbicides, insecticides	\$ 393,035	\$ 405,389
Fuel	10,394	5,792
Other supplies	48,852	59,234
	<u>\$ 452,281</u>	<u>\$ 470,415</u>

7. Accounts Payable and Accrued Liabilities

	<u>2023</u>	<u>2022</u>
Accounts payable	\$ 6,033,937	\$ 6,192,157
Accrued expenses	2,374,230	1,763,203
Accrued interest payable	329,673	173,223
School levies	-	836,000
Other governments	8,973	4,520
Due to (from) trusts	<u>(386,645)</u>	<u>15,202</u>
	<u>\$ 8,360,168</u>	<u>\$ 8,984,305</u>

8. Unearned revenue

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 279,294	\$ 914,510
Amount received during the year	39,270,566	279,294
Less: Amount recognized as revenue during the year	<u>(278,789)</u>	<u>(914,510)</u>
Balance, end of year	<u>\$ 39,271,071</u>	<u>\$ 279,294</u>

Included in unearned revenue is \$38,500,000 (2022 - \$nil) received from the Province of Manitoba. The remainder of the unearned revenue is related to grants and government partnership operations.

9. Asset Retirement Obligation

Landfill Site

The City owns and operates a landfill for which a liability had previously been recorded under PS 3270 Solid Waste Landfill Closure and Post-closure Costs. Adoption of PS 3280 Asset Retirement Obligations has resulted in an increase to the previously recorded landfill closure costs in the amount of \$31,714 as at January 1, 2022. The final closure of the last landfill is currently expected to occur in 2025 at a cost of \$30,000. Monitoring of the landfill will be required for an additional 35 years after final closure of the Landfill, at a cost of \$23,000 per year. The closure and post-closure costs were discounted using a rate of 5.25%.

	<u>2023</u>
Balance, Beginning of year	\$ 329,162
Accretion expense	17,281
Estimated total liability	<u>\$ 346,443</u>

Asbestos and lead paint

Legislation requires the City to appropriately handle and dispose of any material containing asbestos and lead paint when renovating or demolishing a municipal structure. The City owns multiple buildings, which contain asbestos.

The estimated total liability of \$236,320 (prior year 2022 - \$218,140) is based on the sum of discounted future cash flows of \$582,457 using a discount rate of 4%.

10. Long Term Debt

	<u>2023</u>	<u>2022</u>
General Authority:		
Debenture, interest at 5.500%, payable at \$697,379 annually including interest, maturing 2024	\$ 660,651	\$ 1,287,585
Debenture, interest at 5.500%, payable at \$298,877 annually including interest, maturing 2024	283,296	551,822
Debenture, interest at 5.500%, payable at \$159,400 annually including interest, maturing 2025	294,305	430,053
Debenture, interest at 5.250%, payable at \$146,966 annually including interest, maturing 2025	272,305	398,357
Debenture, interest at 5.500%, payable at \$145,952 annually including interest, maturing 2024	138,343	269,473
Debenture, interest at 5.250%, payable at \$19,595 annually including interest, maturing 2025	36,307	53,114
Debenture, interest at 5.250%, payable at \$19,595 annually including interest, maturing 2025	36,307	53,114
Debenture, interest at 5.500%, payable at \$9,963 annually including interest, maturing 2025	18,394	26,878
Debenture, interest at 5.500%, payable at \$9,963 annually including interest, maturing 2025	18,394	26,878
Debenture, interest at 5.250%, payable at \$9,798 annually including interest, maturing 2025	18,154	26,557
Debenture, interest at 5.500%, payable at \$8,468 annually including interest, maturing 2024	8,027	15,635
Loan payable, interest at 5.000%, payable at \$1,685 monthly including interest, maturing 2024	5,735	25,163
Loan payable, repaid in year	-	1,739
Debenture payable, repaid in year	-	403,700
Debenture, interest at 2.600%, payable at \$170,860 annually including interest, maturing 2036	1,764,585	1,883,868
Debenture, interest at 3.160%, payable at \$346,667 annually including interest, maturing 2037	3,873,808	4,091,000
Debenture, interest at 3.160%, payable at \$71,350, annually including interest, maturing 2037	797,257	842,000
Debenture, interest at 4.81%, payable at \$794,160, annually including interest, maturing 2038. Initial payment deferred to June 2024.	8,350,000	-
	<u>\$ 16,575,868</u>	<u>\$ 10,386,936</u>

Utility Funds:**Schedule of Debenture Pending**

Principal payments required in each of the next five years and thereafter are as follows:

2024	\$	2,219,263
2025		1,172,091
2026		847,802
2027		880,986
2028		915,542
Thereafter		10,540,184
		<u>\$ 16,575,868</u>

11. Commitments

The City has a contract for janitorial services for two years ending August 31, 2024.

The City has a contract for the collection of residential solid waste for the period of August 1, 2022 to July 31, 2025.

The City has a contract for cell phone services for ending July 31, 2024.

The City has a contract for a partnership funding agreement in respect of Portage Regional Economic Development to fund operating costs and IT services for 3 years ending December 31, 2024. The total value of the commitment is unknown until such time as the operating costs are incurred.

The City has a contract with The Portage la Prairie Community Revitalization Corporation for the period of January 1, 2023 to December 31, 2025.

The City has a contract with The Portage la Prairie School Division to share the costs of an RCMP School Liaison Officer from January 1, 2023 to December 31, 2025.

The City has extended the contract for the Project Manager, Water Pollution Control Facility until January 2024.

The City has entered a contract with Catalis to provide meeting management software, ending on August 31, 2027.

12. Contingencies

The City is in the process of negotiating a P3 project with the Federal and Provincial governments and various private industry partners to fund upgrades to the wastewater plant in order to improve higher standards for the management of effluent discharge. The agreement terms have not yet been finalized as of the financial statement date and discussions are ongoing. The draft discussion has a total funding required at \$170,024,108 that will be funded by the Government, Municipality and private partners. At the time of issuance of the financial statements, the projects had begun but with only public sector involvement

13. Retirement Benefits

The majority of the employees of the City are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the City on behalf of their employees are expected to be \$647,376 (2022 - \$613,922) and are included in each City's statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2022, indicated the plan was 111.6% funded on a going concern basis and had an unfunded solvency liability of \$19.3 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2022.

In 2010, the Government of Manitoba enacted a regulation which permits sponsors of public sector pension plans, including MEPP, to elect permanent exemption from solvency funding requirements subject to certain conditions stated in the regulation. MEPP has elected permanent exemption from solvency funding requirements. As a result, solvency funding is no longer required by MEPP.

14. Subsequent Events

Subsequent to year end the Province of Manitoba transferred legal title to the property located at 2 River Road to the City, and provided funding in the amount of \$1,600,000 for related demolition and remediation costs to fund work to be completed throughout the 2024 and 2025 fiscal years.

15. Budget

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the City has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by council.

The reconciliation between the financial plan and the budget figures used in these statements is disclosed in Schedule 10 - Reconciliation of the Financial Plan to the Budget.

16. Accumulated Surplus

	<u>2023</u>	<u>2022</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ (74,114,310)	\$ 3,246,399
Utility operating fund(s) - Nominal surplus	36,108,355	(2,191,404)
TCA net of related borrowings	148,532,927	130,506,016
Reserve funds	<u>101,588,486</u>	<u>61,015,862</u>
Accumulated surplus of City unconsolidated	212,115,458	192,576,873
Accumulated surpluses of consolidated entities	<u>6,794,699</u>	<u>6,449,076</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 218,910,157</u>	<u>\$ 199,025,949</u>

17. Trust Funds

The City of Portage la Prairie administers the following trusts:

	Balance, beg. of the year	Excess of Receipts over Disbursements	Balance, end of the year
<i>Accessible Playground Equipment</i>	\$ 675	\$ 11,532	\$ 12,207
<i>Affordable housing</i>	996,010	(65,106)	930,904
<i>Cemetary Perpetual Trust</i>	365,388	25,014	390,402
<i>Central Park Surplus</i>	151,368	(238,929)	(87,561)
<i>DARE Program</i>	1,109	66	1,175
<i>Daycare</i>		7,961	7,961
<i>Fire Equipment</i>	14,715	-	14,715
<i>Heritage Committee Book Sales</i>	5,247	(1,640)	3,607
<i>Koko Platz Rink</i>	96,439	5,738	102,177
<i>Manitoba Hydro</i>	49,384	3,696	53,080
<i>Northeast Community Family Care</i>	1,834	109	1,943
<i>West-end Development Trust</i>	24	1	25
<i>Willow Bay Paving In Trust</i>	4,910	292	5,202
	<u>\$ 1,687,103</u>	<u>\$ (251,266)</u>	<u>\$ 1,435,837</u>

18. Segmented Information

The City of Portage la Prairie is a diversified municipal government institution that provides a wide ranges of services to its residents. Distinguishable functional segments have been separately disclosed in the

Segment information has been provided in Schedule 4 for the following services:

General Government

General government relates to the revenue and expenses of the operations of the City itself that cannot be

Protective Services

Protection is comprised of fire protection, police contract, building inspection, emergency operations and

Transportation Services

Transportation services is responsible for snow clearing, street cleaning and grading, dust abatement and maintenance of boulevards and parks as well as street lights and drainage along municipal roads.

Environmental Health

Environmental health includes services for waste disposal and pickup of materials for recycling.

Public Health and Welfare Services

Public health and welfare services provides social assistance to the residents of the City.

Regional Planning and Development

Regional planning and development includes operations of Portage la Prairie Planning District, which reviews development plans and makes recommendations on subdivision applications.

Resources Conservation and Industrial Development

Resource conservation and industrial development includes the operations of Portage Regional Economic Development, which is responsible for developing and marketing of the City, and tourism development.

Recreation and Cultural Services

Recreation and cultural services encompasses library and recreation authority operations to improve the health and development of local citizens.

Water and Sewer Services

The City provides utility services to its residents in the form of sales of water and wastewater treatment. The department also maintains the water and sewer utility, processing and cleaning sewage and ensuring the water and sewer systems meet all provincial standards.

Revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies of the segments are consistent with those followed in the preparation of the financial statements as described in the summary of significant accounting policies.

19. Government Partnerships

The City has several partnership agreements for municipal services. The consolidated financial statements include the City's proportionate interest, as disclosed in note 2(a). The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

Financial Position		
Financial assets	\$ 5,533,427	\$ 4,858,258
Financial liabilities	<u>1,333,958</u>	<u>854,972</u>
Net financial assets (liabilities)	<u>4,199,469</u>	4,003,286
Non-financial assets	<u>2,421,688</u>	<u>2,264,859</u>
Accumulated surplus	<u><u>6,621,157</u></u>	<u><u>6,268,145</u></u>
Result of Operations		
Revenues	<u>3,627,476</u>	2,987,931
Expenses	<u>3,274,459</u>	<u>3,020,144</u>
Annual surplus (deficit)	<u><u>\$ 353,017</u></u>	<u><u>\$ (32,213)</u></u>

20. Contingent assets (PS 3320)

Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset (PS 3320.03).

The existence of a contingent asset at the date of the financial statements must be disclosed when the occurrence of the confirming future event is likely, provided that the sensitivity or confidentiality of the information should also be considered to avoid adverse effect.

Disclosures of the contingent assets should include the nature, including a description of the circumstances giving rise to the uncertainty and information about the anticipated resolution of the uncertainty; the extent, including an estimate of the amount or a range of possible amounts; the reason(s), if the extent can't be disclosed; and the basis for the estimate.

21. Related party disclosures (PS 2200)

A related party exists when one party has the ability to exercise control or shared control over the other. Two or more parties are related when they are subject to common control or shared control. Related parties also include key management personnel and close family members and the entities they control.

Related Party Transactions are transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party. These transfers are related party transactions whether or not there is an exchange of considerations or transactions have been given accounting recognition. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.

Disclosure is generally required when:

- A transaction occurs between related parties at a value different from that which would have been arrived at if the parties were unrelated; and
- The transaction has or could have a material financial effect on the financial statements.
 - A transaction occurs between related parties at a value different from that which would have been arrived at if the parties were unrelated; and
 - The transaction has or could have a material financial effect on the financial statements.

Determining which items to disclose is based on an assessment of the terms and conditions underlying the transactions, the financial materiality of the transactions, relevance of the information to the decisions of users, and the need for the information to enable users' understanding of the financial statements and for making comparisons to other entities.

As per PS 2200.17, the City should disclose the following where transaction meets the requirements for disclosure.

- Adequate information about the nature of the relationship with related parties involved in related party transactions;
- The types of related party transactions that have been recognized;
- The amounts of the transactions recognized classified by financial statement category;
- The basis of measurement used;
- The amount of outstanding balances and the terms and conditions attached to them;
- Contractual obligations with related parties, separate from other contractual obligations;
- Contingent liabilities involving related parties, separate from other contingent liabilities; and
- The types of related party transactions that have occurred for which no amount has been recognized.

22. Public Utilities Board

The Public Utilities Board (PUB) regulates the rates charged by all water and wastewater utilities, except the City of Winnipeg Utility and wholesale water rates set by the Manitoba Water Services Board. The PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. The PUB's prescribed accounting policies on tangible or contributed capital assets and government transfers allow for adjustments to be made, for rate setting purposes, which do not meet PSAB standards.

For information purposes, the City has deferred the capital grants and/or contributed assets it has received in the past for its utilities and amortized them over the useful life of the related tangible or contributed capital asset.

No capital grants have been deferred and amortized in these financial statements.

The following table provides historical information on capital grants for tangible or contributed capital assets with a remaining Net Book Value.

Water services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Air Release/Yellowquill	\$ 51,818	\$ -	\$ 1,102	\$ 50,716
Industrial Park Watermain	367,869	-	8,555	359,314
Industrial Watermain & WTP	729,751	-	15,527	714,224
McKay Reservoir	260,645	-	11,091	249,554
Miscellaneous equipment	32,544	-	4,650	27,894
Water Study Pre-design	81,780	-	1,817	79,963
Water Supply Upgrades	744,919	-	16,554	728,365
Water Treatment Plant	1,658,348	28,270	45,445	1,641,173
Water Treatment Plant Upgrade	284,467	-	17,779	266,688
	<u>\$ 4,212,141</u>	<u>\$ 28,270</u>	<u>\$ 122,521</u>	<u>\$ 4,117,890</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Phase 1 WPCF (LRAR)	\$ 25,791,388	\$ -	\$ 545,849	\$ 25,245,539
Phase 2 WPCF (LRAR)	4,210,064	-	-	4,210,064
Phase 2 WPCF (Plant Upgrade)	9,000,000	-	-	9,000,000
Sask Ave W Phase 1 Utility	1,401,264	591,423	-	1,992,687
SBR Lift Station	1,292,509	-	39,167	1,253,342
Wastewater Plant Study	97,372	-	2,164	95,208
	<u>\$ 41,792,597</u>	<u>\$ 591,423</u>	<u>\$ 587,180</u>	<u>\$ 41,796,840</u>

23. Public-Private Partnerships

A public-private partnership ("P3s") is a contractual agreement between a public authority and a private entity for the provision of infrastructure and/or services. The City's P3s are assessed based on the substance of the underlying agreement and are accounted as follows:

Costs incurred during construction or acquisition are recognized in the work-in-progress and liability balances based on the estimated percentage complete;

Construction costs, as well as the combined total of future payments, are recognized as a tangible capital asset and amortized over the useful life once the asset is in service; and

Sources of funds used in finance the tangible capital assets and future payments are classified based on the nature of the funds such as debt, grants and/or reserves.

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2023

SCHEDULE 1

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2023	2022
Cost										
Opening costs	\$ 10,499,436	\$ 47,903,256	\$ 9,929,306	\$ 717,145	\$ 15,520,343	\$ 23,228,626	\$ 146,245,942	\$ 12,566,189	\$ 266,610,242	\$ 249,193,509
Additions during the year	740,801	4,722,619	1,182,389	88,153	21,980,689	9,218,661	12,067,298	3,779,891	53,780,501	22,712,389
Transfer during the year	-	-	-	-	-	-	-	-	-	-
Disposals and write downs	(349,246)	-	(431,579)	-	(13,702,407)	-	(154,786)	(10,255,132)	(24,893,150)	(5,295,656)
Closing costs	10,890,991	52,625,875	10,680,116	805,298	23,798,625	32,447,287	158,158,454	6,090,948	295,497,593	266,610,242
Accumulated Amortization										
Opening accum'd amortization	4,310,340	17,908,650	5,250,796	601,416	-	4,483,106	90,824,812	-	123,379,121	119,432,330
Amortization	298,809	1,149,546	849,999	73,026	-	515,168	2,033,808	-	4,920,358	4,101,859
Disposals and write downs	-	-	(268,470)	-	-	-	(138,147)	-	(406,617)	(155,068)
Closing accum'd amortization	4,609,149	19,058,196	5,832,325	674,442	-	4,998,274	92,720,473	-	127,892,862	123,379,121
Net Book Value of Tangible Capital Assets	\$ 6,281,842	\$ 33,567,679	\$ 4,847,791	\$ 130,856	\$ 23,798,625	\$ 27,449,013	\$ 65,437,981	\$ 6,090,948	\$ 167,604,731	\$ 143,231,122

The City has 107 km of roads that are capitalized at a nominal value of \$1,920,487.

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2023

SCHEDULE 2

	2023 Actual	2022 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 12,500,561	\$ 11,992,759
Taxes added	157,096	172,903
Taxes discount	(6,760)	(6,553)
	<u>12,650,897</u>	<u>12,159,109</u>
Grants in lieu of taxation:		
Federal government	45,133	45,541
Provincial government	585,753	574,208
Provincial government enterprises	301,473	253,042
	<u>932,359</u>	<u>872,791</u>
User fees		
Parking meters	39,159	38,812
Sales of service	4,288,569	3,546,370
Sales of goods	104,388	111,509
Rentals	196,744	164,795
	<u>4,628,860</u>	<u>3,861,486</u>
Permits, licences and fines		
Permits	128,682	127,589
Licences	126,332	302,961
Fees	165,193	107,347
	<u>420,207</u>	<u>537,897</u>
Investment income:		
Cash and temporary investments	4,736,486	1,880,844
	<u>4,736,486</u>	<u>1,880,844</u>
Other revenue:		
Gain on sale of tangible capital assets	86,006	43,052
Penalties and interest	173,359	191,603
Miscellaneous (specify):	1,238,759	496,471
	<u>1,498,124</u>	<u>731,126</u>
Water and sewer		
Municipal utility(ies) (Schedule 9)	14,603,226	14,432,318
	<u>14,603,226</u>	<u>14,432,318</u>
Grants - Province of Manitoba		
Municipal operating grants	1,661,710	1,084,947
Conditional grants	14,344,862	4,420,556
	<u>16,006,572</u>	<u>5,505,503</u>
Grants - other		
Federal government - Canada Community-Building Fund (gas tax)	781,064	748,521
Federal government - other	-	36,070
Other municipal governments	564,074	582,988
	<u>1,345,138</u>	<u>1,367,579</u>
Total revenue	<u>\$ 56,821,869</u>	<u>\$ 41,348,653</u>

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2023

SCHEDULE 3

	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
General government services:		
Legislative	\$ 362,795	\$ 255,928
General administrative	2,684,211	2,388,557
Other (specify):	345,985	173,054
	<u>3,392,991</u>	<u>2,817,539</u>
Protective services:		
Police	4,427,702	3,803,230
Fire	2,527,530	2,399,124
Emergency measures	68,686	63,811
Other (specify):	147,649	73,902
	<u>7,171,567</u>	<u>6,340,067</u>
Transportation services:		
Road transport		
Administration and engineering	262,388	254,828
Road and street maintenance	2,134,502	1,784,795
Sidewalk and boulevard maintenance	87,485	40,086
Street lighting	266,629	263,535
Public transit	115,885	84,255
	<u>2,866,889</u>	<u>2,427,499</u>
Environmental health services:		
Waste collection and disposal	1,134,303	1,042,087
Recycling	395,642	319,259
	<u>1,529,945</u>	<u>1,361,346</u>
Public health and welfare services:		
Public health	169,128	211,992
Social assistance	70,721	70,721
	<u>239,849</u>	<u>282,713</u>
Regional planning and development		
Planning and zoning	400,310	404,937
Urban area weed control	203,600	181,459
Other (specify):	126,679	169,085
	<u>730,589</u>	<u>755,481</u>
Resource conservation and industrial development		
Regional development	304,370	224,175
Industrial development	16,200	3,648
Tourism	1,157	1,072
Other (specify):	9,274	8,000
	<u>331,001</u>	<u>236,895</u>
Sub-totals forward	<u>16,262,831</u>	<u>14,221,540</u>

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2023

SCHEDULE 3

	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Sub-totals forward	<u>16,262,831</u>	<u>14,221,540</u>
Recreation and cultural services:		
Administration	3,848,099	3,593,503
Community centers and halls	72,900	72,900
Skating and curling rinks	6,016	6,018
Parks and playgrounds	554,845	495,830
Other recreational facilities	1,874,662	1,626,289
Libraries	337,676	336,327
Other cultural facilities	55,088	35,085
	<u>6,749,286</u>	<u>6,165,952</u>
Water and sewer services		
Municipal utility(ies) (Schedule 9)	13,925,544	10,914,309
	<u>13,925,544</u>	<u>10,914,309</u>
Total expenses	<u>\$ 36,937,661</u>	<u>\$ 31,301,801</u>

City of Portage la Prairie
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2023

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
REVENUE										
Property taxes	\$ 12,650,897	\$ 12,159,109	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	932,359	872,791	-	-	-	-	-	-	-	-
User fees	136,701	136,901	743,024	720,629	59,383	44,222	1,373,100	1,224,008	66,470	72,824
Grants - other	-	-	-	-	820,368	776,602	-	-	-	-
Permits, licences and fines	170,775	247,312	249,432	290,585	-	-	-	-	-	-
Investment income	4,544,907	1,781,478	-	-	887	223	5,865	6,252	-	-
Other revenue	1,308,652	618,224	-	-	520	645	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditiona	1,661,709	1,084,947	-	-	-	-	-	-	-	-
Prov of MB - Conditional C	14,095,876	4,187,115	-	-	53,876	68,171	-	-	-	-
Total revenue	\$ 35,501,876	\$ 21,087,877	\$ 992,456	\$ 1,011,214	\$ 935,034	\$ 889,863	\$ 1,378,965	\$ 1,230,260	\$ 66,470	\$ 72,824
EXPENSES										
Personnel services	\$ 1,713,725	\$ 1,719,443	\$ 2,480,245	\$ 2,428,603	\$ 832,091	\$ 784,308	\$ 267,352	\$ 232,503	\$ 85,594	\$ 83,599
Contract services	429,782	300,884	4,233,409	3,524,946	49,317	43,829	810,699	745,738	94,203	84,064
Utilities	56,747	56,364	67,062	65,138	319,175	312,214	-	-	6,261	7,109
Maintenance materials and	500,952	141,529	182,462	144,488	700,449	684,844	104,610	92,203	48,453	102,007
Grants and contributions	248,252	248,117	4,628	4,359	31,377	32,968	84,447	40,561	5,338	5,934
Amortization	65,603	50,318	199,332	172,197	975,230	620,151	242,183	126,732	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	377,930	300,884	4,429	336	22,004	15,121	20,654	123,609	-	-
Total expenses	3,392,991	2,817,539	7,171,567	6,340,067	2,866,889	2,427,499	1,529,945	1,361,346	239,849	282,713
Surplus (Deficit)	\$ 32,108,885	\$ 18,270,338	\$ (6,179,111)	\$ (5,328,853)	\$ (1,931,855)	\$ (1,537,636)	\$ (150,980)	\$ (131,086)	\$ (173,379)	\$ (209,889)

* The general government category includes revenues and expenses that cannot be attributed to a particular sector.

City of Portage la Prairie
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2023

SCHEDULE 4

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	12,650,897	12,159,109
Grants in lieu of taxation	-	-	-	-	-	-	-	-	932,359	872,791
User fees	666,566	332,441	1,147	2,667	1,582,469	1,327,794	-	-	4,628,860	3,861,486
Grants - other	-	-	53,970	46,406	470,801	544,571	-	-	1,345,139	1,367,579
Permits, licences and fines	-	-	-	-	-	-	-	-	420,207	537,897
Investment income	83,898	37,639	-	-	100,929	55,252	-	-	4,736,486	1,880,844
Other revenue	-	-	62,373	6,667	126,579	105,590	-	-	1,498,124	731,126
Water and sewer	-	-	-	-	-	-	14,603,226	14,432,318	14,603,226	14,432,318
Prov of MB - Unconditiona	-	-	-	-	-	-	-	-	1,661,709	1,084,947
Prov of MB - Conditional C	-	-	-	-	195,110	165,270	-	-	14,344,862	4,420,556
Total revenue	\$ 750,464	\$ 370,080	\$ 117,490	\$ 55,740	\$ 2,475,888	\$ 2,198,477	\$ 14,603,226	\$ 14,432,318	\$ 56,821,869	\$ 41,348,653
EXPENSES										
Personnel services	\$ 391,425	\$ 397,283	\$ 123,638	\$ 120,822	\$ 2,298,696	\$ 2,078,029	\$ 2,602,273	\$ 2,509,330	10,795,039	10,353,920
Contract services	220,935	237,801	50,145	38,102	888,063	825,837	2,269,147	2,128,913	9,045,700	7,930,114
Utilities	7,716	9,755	1,517	1,863	493,321	467,740	4,371,547	2,611,947	5,323,346	3,532,130
Maintenance materials and	77,558	88,283	1,071	1,085	153,104	329,740	2,568,426	1,835,723	4,337,085	3,419,902
Grants and contributions	-	-	113,907	58,976	895,422	673,620	-	-	1,320,617	998,599
Amortization	23,685	11,723	416	585	1,404,311	1,346,357	2,035,967	1,773,796	4,946,727	4,101,859
Interest on long term debt	-	-	-	-	510,848	302,179	78,184	54,600	589,032	356,779
Other	9,270	10,636	40,307	15,462	105,521	142,450	-	-	580,115	608,498
Total expenses	\$ 730,589	\$ 755,481	\$ 331,001	\$ 236,895	\$ 6,749,286	\$ 6,165,952	\$ 13,925,544	\$ 10,914,309	\$ 36,937,661	\$ 31,301,801
Surplus (Deficit)	\$ 19,875	\$ (385,401)	\$ (213,511)	\$ (181,155)	\$ (4,273,398)	\$ (3,967,475)	\$ 677,682	\$ 3,518,009	\$ 19,884,208	\$ 10,046,852

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the Year Ended December 31, 2023

	Core Government		Controlled Entities		Government Partnerships		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
REVENUE								
Property taxes	\$ 12,650,897	\$ 12,159,109	\$ -	\$ -	\$ -	\$ -	\$ 12,650,897	\$ 12,159,109
Grants in lieu of taxation	932,359	872,791	-	-	-	-	932,359	872,791
User fees	2,081,423	1,813,177	52,153	39,692	2,495,284	2,008,617	4,628,860	3,861,486
Grants - other	819,312	776,602	1,056	-	524,771	590,977	1,345,139	1,367,579
Permits, licences and fines	420,207	537,897	-	-	-	-	420,207	537,897
Investment income	4,544,907	1,781,478	887	223	190,692	99,143	4,736,486	1,880,844
Other revenue	1,308,652	618,224	520	645	188,952	112,257	1,498,124	731,126
Water and sewer	14,603,226	14,432,318	-	-	-	-	14,603,226	14,432,318
Prov of MB - Unconditional Grants	1,661,709	1,084,947	-	-	-	-	1,661,709	1,084,947
Prov of MB - Conditional Grants	14,058,374	4,175,448	53,876	68,171	232,612	176,937	14,344,862	4,420,556
Total revenue	<u>53,081,066</u>	<u>\$ 38,251,991</u>	<u>\$ 108,492</u>	<u>\$ 108,731</u>	<u>\$ 3,632,311</u>	<u>\$ 2,987,931</u>	<u>\$ 56,821,869</u>	<u>\$ 41,348,653</u>
EXPENSES								
Personnel services	\$ 8,143,392	\$ 7,927,811	\$ 67,603	\$ 55,223	\$ 2,584,044	\$ 2,370,886	\$ 10,795,039	\$ 10,353,920
Contract services	8,197,298	7,139,679	3,264	2,996	845,138	787,439	9,045,700	7,930,114
Utilities	4,885,599	3,098,455	1,965	1,716	435,782	431,959	5,323,346	3,532,130
Maintenance materials and supplies	4,235,817	3,135,309	32,677	22,419	68,591	262,174	4,337,085	3,419,902
Grants and contributions	2,609,418	2,479,790	(31,377)	(32,968)	(1,257,424)	(1,448,223)	1,320,617	998,599
Amortization	4,498,467	3,757,167	19,749	19,749	428,511	324,943	4,946,727	4,101,859
Interest on long term debt	588,394	354,800	-	-	638	1,979	589,032	356,779
Other	384,097	304,390	22,004	15,121	174,014	288,987	580,115	608,498
Total expenses	<u>\$ 33,542,482</u>	<u>\$ 28,197,401</u>	<u>\$ 115,885</u>	<u>\$ 84,256</u>	<u>\$ 3,279,294</u>	<u>\$ 3,020,144</u>	<u>\$ 36,937,661</u>	<u>\$ 31,301,801</u>
Surplus (Deficit)	<u>\$ 19,538,584</u>	<u>\$ 10,054,590</u>	<u>\$ (7,393)</u>	<u>\$ 24,475</u>	<u>\$ 353,017</u>	<u>\$ (32,213)</u>	<u>\$ 19,884,208</u>	<u>\$ 10,046,852</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2023

	2023											
	General Reserve	Infrastructure Reserve	Equipment Replacement Reserve	Cemetery Reserve	Policing Reserve	Fire Truck Reserve	Accessibility Reserve	Land Development Reserve	Environmental Reserve	Computer Reserve	Crescent Lake Reserve	Handivan Reserve
REVENUE												
Investment income	\$ 166,755	\$ 63,217	\$ 3,630	\$ 42	\$ 27,078	\$ 10,845	\$ 3,042	\$ 31,685	\$ 11,578	\$ 2,624	\$ 547	\$ 13
Other income	-											
Total revenue	<u>166,755</u>	<u>63,217</u>	<u>3,630</u>	<u>42</u>	<u>27,078</u>	<u>10,845</u>	<u>3,042</u>	<u>31,685</u>	<u>11,578</u>	<u>2,624</u>	<u>547</u>	<u>13</u>
EXPENSES												
Investment charges												
Other expenses	94,326	1,656	-	-	-	-	(37,344)	1,257	5,000	-	-	-
Total expenses	<u>94,326</u>	<u>1,656</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,344)</u>	<u>1,257</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	72,429	61,561	3,630	42	27,078	10,845	40,386	30,428	6,578	2,624	547	13
TRANSFERS												
Transfers from general operating fund	197,000	1,128,000	160,000		-	210,000	50,000	24,455			1,833	
Transfers to general operating fund	(1,474,667)							(144,756)				
Transfer from nominal surplus	2,354,411											
Transfers from utility operating fund										18,000		
Acquisition of tangible capital assets	(344,324)	(77,493)	(10,754)				(187,738)		-	(40,030)		
CHANGE IN RESERVE FUND BALANCES	804,849	1,112,068	152,876	42	27,078	220,845	(97,352)	(89,873)	6,578	(19,406)	2,380	13
FUND SURPLUS, BEGINNING OF YEAR	<u>8,384,083</u>	<u>355,562</u>	<u>99,213</u>	<u>2,123</u>	<u>1,369,645</u>	<u>425,877</u>	<u>201,607</u>	<u>1,583,555</u>	<u>588,181</u>	<u>154,471</u>	<u>27,673</u>	<u>644</u>
FUND SURPLUS, END OF YEAR	<u>\$ 9,188,932</u>	<u>\$ 1,467,630</u>	<u>\$ 252,089</u>	<u>\$ 2,165</u>	<u>\$ 1,396,723</u>	<u>\$ 646,722</u>	<u>\$ 104,255</u>	<u>\$ 1,493,682</u>	<u>\$ 594,759</u>	<u>\$ 135,065</u>	<u>\$ 30,053</u>	<u>\$ 657</u>

SCHEDULE 6

Special Administration Reserve	Capital Levy Reserve	Recreation Dedication Fees Reserve	Sidewalk Reserve	Softball Reserve	CCBF Reserve	Glesby Centre Reserve	Accomm. Tax Marketing Reserve	Accomm. Tax Sask Ave Reserve	BDO Capital Reserve	Library Capital Reserve	Sask Ave MB ICIP Reserve	Sask Ave Phase 2 Reserve	Herman Prior Centre reserve
\$ 1,960	\$ 1,968	\$ 467	\$ 783	\$ 730	\$ 163,979	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 329,534	\$ 288,936	-
1,960	1,968	467	783	730	163,979	-	-	-	-	-	329,534	288,936	-
-	-	-	-	12,200	-	28,920	103,200	4,500	16,658	15,000	-	-	15,000
-	-	-	-	12,200	-	28,920	103,200	4,500	16,658	15,000	-	-	15,000
1,960	1,968	467	783	(11,470)	163,979	(28,920)	(103,200)	(4,500)	(16,658)	(15,000)	329,534	288,936	(15,000)
			50,000		781,065 (412,025)	20,000	79,632	79,632	10,000	9,970	(4,693,849)	8,350,000 (4,052,742)	30,450
			-		(1,488)			(10,500)				-	
1,960	1,968	467	50,783	(11,470)	531,531	(8,920)	(23,568)	64,632	(6,658)	(5,030)	(4,364,315)	4,586,194	15,450
99,121	99,549	23,597	10,411	12,277	790,579	150,586	89,210	113,209	40,000	9,987	5,915,185	1,386,906	-
<u>\$ 101,081</u>	<u>\$ 101,517</u>	<u>\$ 24,064</u>	<u>\$ 61,194</u>	<u>\$ 807</u>	<u>\$ 1,322,110</u>	<u>\$ 141,666</u>	<u>\$ 65,642</u>	<u>\$ 177,841</u>	<u>\$ 33,342</u>	<u>\$ 4,957</u>	<u>\$ 1,550,870</u>	<u>\$ 5,973,100</u>	<u>\$ 15,450</u>

SCHEDULE 6

2023											2022	
Utility Infrastructure Reserve	Utility Nutrient Removal Reserve	WTP Reserve	Utility Reserve	IP Capital Reserve	WTP Expansion Grant Reserve	WPCF Upgrade Advance CIP Reserve	WPCF Upgrade MB Reserve	Sask Ave MB ICIP Reserve	Sask Ave Phase 1 Reserve	Total	Total	
\$ 86,232	\$ 471,891	\$ 8,644	\$ 366,719	\$ 28,913	\$ 1,056,390	\$ 217,490	\$ 553,719	\$ 20,033	\$ 15,761	\$ 3,935,205	\$ 1,425,970	
86,232	471,891	8,644	366,719	28,913	1,056,390	217,490	553,719	20,033	15,761	3,935,205	1,425,970	
-	-	-	3,051,786	-	-	-	-	-	-	3,312,159	1,458,885	
-	-	-	3,051,786	-	-	-	-	-	-	3,312,159	1,458,885	
86,232	471,891	8,644	(2,685,067)	28,913	1,056,390	217,490	553,719	20,033	15,761	623,046	(32,915)	
-	-	1,085,223	2,150,794	261,006	38,500,000	-	-	(393,795)	(275,517)	11,182,037	22,527,749	
(132,433)	(71,704)	(1,031,123)	(2,246,955)	-	-	-	-	-	-	(10,517,033)	(7,754,534)	
(46,201)	400,187	62,744	(2,781,228)	289,919	39,556,390	217,490	553,719	(373,762)	(259,756)	4,921,116	-	
2,104,414	12,120,318	-	10,475,243	734,725	-	3,655,643	9,307,104	391,350	293,810	38,518,000	468,000	
\$ 2,058,213	\$ 12,520,505	\$ 62,744	\$ 7,694,015	\$ 1,024,644	\$ 39,556,390	\$ 3,873,133	\$ 9,860,823	\$ 17,588	\$ 34,054	\$ (4,154,542)	\$ (4,468,871)	
										40,572,624	10,739,429	
										61,015,862	50,276,433	
										\$ 101,588,486	\$ 61,015,862	

SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.

For the Year Ended December 31, 2023

	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue (specify)	-	-	-
Total revenue	<u>-</u>	<u>-</u>	<u>-</u>
Expenses			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other (specify):	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other (specify):	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other (specify):	-	-	-
Change in L.U.D. balances	<u>-</u>	-	-
Unexpended balance, beginning of year		<u>-</u>	<u>-</u>
Unexpended balance, end of year		<u>-</u>	<u>-</u>

City of Portage la Prairie
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
As at December 31, 2023

SCHEDULE 8

	<u>2023</u>	<u>2022</u>
	Total	Total
FINANCIAL ASSETS		
Amounts receivable	\$ 2,077,900	\$ 3,358,334
Due from other funds	<u>34,136,413</u>	<u>-</u>
	<u>36,214,313</u>	<u>3,358,334</u>
LIABILITIES		
Accounts payable and accrued liabilities	476,033	997,421
Unearned revenue	38,500,000	-
Long-term debt (Note 9)	2,561,842	2,725,868
Due to other funds		4,959,803
Asset retirement obligations (Note 8)	51,814	-
	<u>41,589,689</u>	<u>8,683,092</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>(5,375,376)</u>	<u>(5,324,758)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	71,528,927	67,987,319
Inventories	393,035	405,389
Prepaid expenses	28,854	2,097
	<u>71,950,816</u>	<u>68,394,805</u>
FUND SURPLUS (DEFICIT)	<u>\$ 66,575,440</u>	<u>\$ 63,070,047</u>
COMMITMENTS AND CONTINGENCIES (Notes 11 and 12)		

City of Portage la Prairie
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2023

SCHEDULE 9

	<u>Budget</u>	<u>2023</u>	<u>2022</u>
REVENUE			
Water			
Water fees	\$11,963,000	\$ 13,554,440	\$12,292,372
Bulk Water fees	-	12,804	10,236
sub-total- water	<u>11,963,000</u>	<u>13,567,244</u>	<u>12,302,608</u>
Sewer			
Sewer fees	13,000	13,837	11,624
sub-total- sewer	<u>13,000</u>	<u>13,837</u>	<u>11,624</u>
Government transfers			
Operating	4,851,617	591,423	1,825,276
Capital	-	-	-
sub-total- government transfers	<u>4,851,617</u>	<u>591,423</u>	<u>1,825,276</u>
Other			
Hydrant rentals	57,725	58,776	58,075
Connection charges	18,000	23,450	24,724
Penalties	10,000	12,233	11,208
Investment income	-	329,128	191,428
Other income (specify)	89,150	7,135	7,375
sub-total- other	<u>174,875</u>	<u>430,722</u>	<u>292,810</u>
Total revenue	<u>\$17,002,492</u>	<u>\$ 14,603,226</u>	<u>\$14,432,318</u>

City of Portage la Prairie
SCHEDULE OF UTILITY OPERATIONS (cont'd)
For the Year Ended December 31, 2023

SCHEDULE 9

	<u>Budget</u>	<u>2023</u>	<u>2022</u>
EXPENSES			
General			
Administration	\$ 1,610,933	\$ 1,602,070	\$ 1,429,651
Utilities (telephone, electricity, etc.)	-	266	-
Other (transfers)	-	-	-
sub-total- general	<u>1,610,933</u>	<u>1,602,336</u>	<u>1,429,651</u>
Water General			
Purification and treatment	3,944,337	4,082,092	3,305,492
Transmission and distribution	2,602,292	1,513,181	1,486,886
Other (specify)	-	3,052,648	1,278,142
sub-total- water general	<u>6,546,629</u>	<u>8,647,921</u>	<u>6,070,520</u>
Water Amort., Accretion & Interest			
Amortization	-	1,753,519	1,519,758
sub-total- water amortization & interest	<u>-</u>	<u>1,753,519</u>	<u>1,519,758</u>
Sewer General			
Collection system costs	675,438	713,067	847,902
Treatment and disposal cost	857,950	539,970	437,806
Lift Station costs	332,220	308,099	300,033
Other sewage & disposal costs (specify)	(124,918)	-	-
sub-total- sewer general	<u>1,740,690</u>	<u>1,561,136</u>	<u>1,585,741</u>
Sewage Amort., Accretion & Interest			
Amortization	-	282,448	254,039
Interest on long term debt	-	78,184	54,600
sub-total- sewer amortization & interest	<u>-</u>	<u>360,632</u>	<u>308,639</u>
Total expenses	<u>9,898,252</u>	<u>13,925,544</u>	<u>10,914,309</u>
NET OPERATING SURPLUS	<u>7,104,240</u>	<u>677,682</u>	<u>3,518,009</u>
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	-	2,827,711	(2,904,783)
CHANGE IN UTILITY FUND BALANCE	<u>\$ 7,104,240</u>	<u>3,505,393</u>	<u>613,226</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>63,070,047</u>	<u>62,456,821</u>
FUND SURPLUS, END OF YEAR		<u>\$ 66,575,440</u>	<u>\$63,070,047</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the Year Ended December 31, 2023

	<u>Financial Plan General</u>	<u>Financial Plan Utility(ies)</u>	<u>Amortization & Accretion</u>	<u>Interest Expense</u>	<u>Transfers</u>	<u>Long Term Accruals</u>	<u>Consolidated Entities</u>	<u>PSAB Budget</u>
REVENUE								
Property taxes	\$ 11,675,138	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,675,138
Grants in lieu of taxation	1,757,783	-	-	-	-	-	-	1,757,783
User fees	2,026,035	-	-	-	-	-	2,547,437	4,573,472
Permits, licences and fines	344,100	-	-	-	-	-	525,827	869,927
Investment income	150,000	-	-	-	-	-	-	150,000
Other revenue	9,821,281	-	-	-	-	-	191,579	10,012,860
Water and sewer	-	17,257,542	-	-	-	-	189,472	17,447,014
Grants - Province of Manitoba	3,342,943	-	-	-	-	-	-	3,342,943
Grants - other	14,042,946	-	-	-	-	-	286,488	14,329,434
Transfers from accumulated surplus	3,887,081	1,085,223	-	-	(4,972,304)	-	-	-
Transfers from reserves	-	-	-	-	-	-	-	-
Total revenue	\$ 47,047,307	\$ 18,342,765	\$ -	\$ -	\$ (4,972,304)	\$ -	\$ 3,740,803	\$ 64,158,571
EXPENSES								
General government services	\$ 2,855,738	\$ -	\$ 72,535	\$ -	\$ -	\$ -	\$ -	\$ 2,928,273
Protective services	6,931,178	-	192,400	-	-	-	-	7,123,578
Transportation services	2,736,961	-	975,230	-	-	-	115,885	3,828,076
Environmental health services	1,035,111	-	242,183	-	-	-	433,051	1,710,345
Public health and welfare services	337,652	-	-	-	-	-	-	337,652
Regional planning and development	436,568	-	23,685	-	-	-	394,829	855,082
Resource cons and industrial dev	199,935	-	416	-	-	-	133,684	334,035
Recreation and cultural services	2,583,842	-	1,404,311	-	-	-	2,333,777	6,321,930
Water and sewer services	-	9,893,232	2,035,967	-	-	-	-	11,929,199
Fiscal services:								
Transfer to capital	22,561,750	5,035,317	-	-	(27,597,067)	-	-	-
Debt charges	2,283,991	-	-	(2,283,991)	-	-	-	-
Short term interest	201,400	-	-	-	(201,400)	-	-	-
Transfer to reserves	4,748,018	3,414,216	-	-	(8,162,234)	-	-	-
Allowance for tax assets	135,163	-	-	-	(135,163)	-	-	-
Total expenses	\$ 47,047,307	\$ 18,342,765	\$ 4,946,727	\$ (2,283,991)	\$ (36,095,864)	\$ -	\$ 3,411,226	\$ 35,368,170
Surplus (Deficit)	\$ -	\$ -	\$ (4,946,727)	\$ 2,283,991	\$ 31,123,560	\$ -	\$ 329,577	\$ 28,790,401

City of Portage la Prairie
 ANALYSIS OF TAXES ON ROLL
 December 31, 2023

SCHEDULE 11

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 1,035,343	\$ 1,105,286
Add:		
Tax levy (Schedule 12)	20,724,386	20,529,967
Taxes added	157,096	172,903
Penalties or interest	173,359	191,603
Other accounts added	-	-
Tax Adjustments (specify)	-	-
Sub-total	21,054,841	20,894,473
Deduct:		
Cash collections - current	18,105,371	18,291,910
Cash collections - arrears	1,566,519	1,201,558
Tax discounts	6,760	6,553
E.P.T.C. - cash advance	1,166,879	1,464,395
Sub-total	20,845,529	20,964,416
Balance, end of year	\$ 1,244,655	\$ 1,035,343

City of Portage la Prairie
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2023

SCHEDULE 12

	2023			2022
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Debt - PCU Centre	\$ 605,735,390	\$ 2.342	\$ 1,418,632	\$ 1,420,881
Debt - NE Transportation Route	\$ 605,735,390	\$ 0.532	322,251	-
sub-total - L.U.D.			<u>1,740,884</u>	<u>1,420,881</u>
Debt charges:				
Frontage	\$ -	\$ -	-	-
LI.D.	\$ -	\$ -	-	-
Other (specify)	\$ -	\$ -	-	-
sub-total - Debt charges			<u>-</u>	<u>-</u>
Deferred surplus	\$ -	\$ -	-	-
Reserves:				
Reserve - Glesby Centre	\$ 605,735,390	\$ 0.031	18,778	18,961
Reserve - Handicap Access	\$ 605,735,390	\$ 0.077	46,642	46,810
Reserve - Fire	\$ 605,735,390	\$ 0.323	195,653	139,837
Reserve - Sidewalk	\$ 605,735,390	\$ 0.077	46,642	158,797
Reserve - General	\$ 605,735,390	\$ 0.303	183,538	173,611
Reserve - Equipment Replacement	\$ 605,735,390	\$ 0.246	149,011	93,619
sub-total - Reserves			<u>640,262</u>	<u>631,635</u>
General municipal	\$ 605,735,390	\$ 16.460	<u>9,970,405</u>	<u>9,790,926</u>
Special levies:				
Assessment Levy	\$ 605,735,390	\$ 0.246	149,011	149,317
Name of special levy	\$ -	\$ -	-	-
Name of special levy	\$ -	\$ -	-	-
sub-total - Special levies			<u>149,011</u>	<u>149,317</u>
Business tax (rate%)	\$ -	\$ -	-	-
Total municipal taxes (Schedule 2)			<u>12,500,561</u>	<u>11,992,759</u>
Education support levy	\$ 146,324,050	\$ 8.140	<u>1,191,078</u>	<u>1,252,868</u>
Special levies:				
Portage la Prairie School Division	\$ 589,698,750	\$ 11.926	<u>7,032,747</u>	<u>7,284,340</u>
sub-total - Special levies			<u>7,032,747</u>	<u>7,284,340</u>
Total education taxes			<u>8,223,825</u>	<u>8,537,208</u>
Total tax levy (Schedule 11)			<u>\$ 20,724,386</u>	<u>\$ 20,529,967</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2023

	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
General government services:		
Legislative	\$ 362,795	\$ 255,928
General administrative	2,687,185	2,388,557
Other (specify)	352,745	179,608
	<u>3,402,725</u>	<u>2,824,093</u>
Protective services:		
Police	4,427,701	3,803,230
Fire	2,520,598	2,399,124
Emergency measures	68,686	63,811
Other (specify)	147,649	73,902
	<u>7,164,634</u>	<u>6,340,067</u>
Transportation services:		
Road transport		
Administration and engineering	262,389	254,828
Road and street maintenance	2,134,502	1,784,795
Sidewalk and boulevard maintenance	87,485	40,086
Street lighting	266,629	263,535
	<u>2,751,005</u>	<u>2,343,244</u>
Environmental health services:		
Waste collection and disposal	717,300	614,155
Recycling	395,642	319,258
	<u>1,112,942</u>	<u>933,413</u>
Public health and welfare services:		
Public health	155,339	206,058
Social assistance	70,721	70,721
Other (specify)	5,338	5,934
	<u>231,398</u>	<u>282,713</u>
Regional planning and development		
Planning and zoning	5,481	4,131
Urban area weed control	203,600	181,459
Other (specify)	126,679	169,085
	<u>335,760</u>	<u>354,675</u>
Resource conservation and industrial development		
Regional development	170,686	144,214
Industrial development	16,200	3,648
Tourism	1,157	1,073
Other (specify)	9,274	8,000
	<u>197,317</u>	<u>156,935</u>
Sub-totals forward	<u>15,195,781</u>	<u>13,235,140</u>

**SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2023**

	<u>2023 Actual</u>	<u>2022 Actual</u>
Sub-totals forward	<u>15,195,781</u>	<u>13,235,140</u>
Recreation and cultural services:		
Administration	1,514,321	1,482,059
Community centers and halls	72,900	72,900
Skating and curling rinks	6,016	6,018
Parks and playgrounds	554,845	495,830
Other recreational facilities	1,874,662	1,626,289
Libraries	337,676	336,327
Other cultural facilities	55,088	35,085
	<u>4,415,508</u>	<u>4,054,508</u>
Total expenses	<u><u>\$ 19,611,289</u></u>	<u><u>\$ 17,289,648</u></u>

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
December 31, 2023

	2023			2022
	General	Utility	Total	Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 1,621,596	\$ 2,055,429	\$ 3,677,025	\$ 2,569,262
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	7,568,660	273,464	7,842,124	6,187,881
Eliminate revenue - transfers from reserves	(6,651,769)	(4,978,350)	(11,630,119)	(11,697,142)
Increase revenue - reserve funds interest	3,935,205	-	3,935,205	1,425,970
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	345,624	-	345,624	(7,738)
Increase (Decrease) revenue - grant authorized	-	-	-	-
Increase expenses - liability estimate for PSAB purposes	-	-	-	212,562
Eliminate revenue - grant claims	(2,725,958)	(260,004)	(2,985,962)	(4,467,510)
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	-
Increase revenue (increase expense) - gain (loss) on sale of tangible capital assets	(7,006)	(79,000)	(86,006)	(103,849)
Increase expense - proceeds on sale of tangible capital assets	-	-	-	12,000
Increase expense - amortization of tangible capital assets	(2,455,568)	(2,033,808)	(4,489,376)	(3,757,168)
Increase expense - accretion expense of asset retirement obligation	(6,932)	(2,159)	(9,091)	-
Decrease expense - principal portion of debenture debt	1,997,042	164,026	2,161,068	1,996,932
Increase expense - debt issuance	(8,350,000)	-	(8,350,000)	-
Eliminate expense - acquisitions of tangible capital assets	23,935,631	5,538,085	29,473,716	17,675,652
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	<u>\$ 19,206,525</u>	<u>\$ 677,683</u>	<u>\$19,884,208</u>	<u>\$10,046,852</u>