

City of Portage la Prairie

**Consolidated Financial Statements
For the Year Ended December 31, 2024**


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 of 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 City in accordance with Canadian Public Sector Accounting Standards.



Nicole Chychota
City Manager



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Brandon MB R7A 4E6 Canada

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, 2024, and the consolidated statements of operations, and accumulated operating surplus change in net financial assets and cash flows 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 as at December 31, 2024, and the results of its consolidated operations, change in net financial assets and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the 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.

Emphasis of Matter - Restated Comparative Information

Without modifying our opinion we draw attention to Note 20 to the financial statements, which describes that certain comparative financial information presented for the year ended December 31, 2023 has been restated.

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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our 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.

BDO Canada LLP

Chartered Professional Accountants
Brandon, Manitoba
June 25, 2025

City of Portage la Prairie
Consolidated Financial Statements
For the Year Ended December 31, 2024


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**City of Portage la Prairie
Consolidated Statement of Financial Position
As at December 31, 2024**

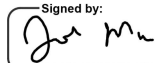
	<u>2024</u>	<u>2023</u> Restated (Note 20)
FINANCIAL ASSETS		
Cash and cash equivalents (Note 3)	\$ 109,022,715	\$ 104,889,483
Amounts receivable (Note 4)	8,510,527	9,649,212
Portfolio investments (Note 5)	458,017	125,793
Other inventories for sale (Note 6)	255	255
	<u>\$ 117,991,514</u>	<u>\$ 114,664,743</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 6,445,314	\$ 8,360,168
Unearned revenue (Note 8)	55,308,550	54,060,418
Asset retirement obligations (Note 9)	578,347	582,762
Long-term debt (Note 10)	14,334,926	16,575,868
	<u>76,667,137</u>	<u>79,579,216</u>
NET FINANCIAL ASSETS	<u>\$ 41,324,377</u>	<u>\$ 35,085,527</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 177,392,664	\$ 167,604,731
Inventories (Note 6)	406,966	452,281
Real estate properties held for sale	963,280	391,586
Prepaid expenses	1,084,127	585,656
	<u>179,847,037</u>	<u>169,034,254</u>
ACCUMULATED SURPLUS (Note 15)	<u>\$ 221,171,414</u>	<u>\$ 204,119,781</u>

COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)

Approved on behalf of council:

Signed by:

 05605B9F5249473...

Mayor

Signed by:

 0A155AECC501495...

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, 2024

	2024 Budget (Note 14)	2024 Actual	2023 Actual Restated (Note 20)
REVENUE			
Property taxes	\$12,053,080	\$ 13,076,745	\$ 12,650,897
Grants in lieu of taxation	1,660,222	880,061	932,359
User fees	6,252,216	6,237,007	4,628,860
Permits, licences and fines	902,337	552,555	420,207
Investment income	170,000	2,746,109	2,908,887
Other revenue	677,530	2,360,739	1,498,124
Water and sewer	16,468,594	21,059,913	14,603,226
Grants - Province of Manitoba	4,420,683	6,568,579	16,006,571
Grants - other	3,898,717	1,407,816	1,345,139
Total revenue (Schedules 2, 4 and 5)	<u>46,503,379</u>	<u>54,889,524</u>	<u>54,994,270</u>
EXPENSES			
General government services	3,098,886	3,743,989	3,392,991
Protective services	7,855,050	7,411,837	7,171,567
Transportation services	5,597,784	4,596,448	2,866,889
Environmental health services	1,816,728	1,826,318	1,529,945
Public health and welfare services	341,783	290,869	239,849
Regional planning and development	944,301	885,568	730,589
Resource conservation and industrial development	383,117	390,161	331,001
Recreation and cultural services	6,317,573	6,922,894	6,749,286
Water and sewer services	<u>13,063,477</u>	<u>11,769,807</u>	<u>13,925,544</u>
Total expenses (Schedules 3, 4 and 5)	<u>39,418,699</u>	<u>37,837,891</u>	<u>36,937,661</u>
ANNUAL OPERATING SURPLUS	<u>\$ 7,084,680</u>	17,051,633	18,056,609
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR		<u>204,119,781</u>	<u>199,025,949</u>
PRIOR PERIOD ADJUSTMENT (NOTE 20)			(12,962,777)
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR, RESTATED		<u>204,119,781</u>	<u>186,063,172</u>
ACCUMULATED OPERATING SURPLUS, END OF YEAR		<u>\$ 221,171,414</u>	<u>\$ 204,119,781</u>

The accompanying notes 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, 2024

	2024 Budget	2024 Actual	2023 Actual Restated (Note 20)
	(Note 14)		
ANNUAL SURPLUS (DEFICIT)	\$ 7,084,680	\$ 17,051,633	\$ 18,056,609
Acquisition of tangible capital assets	-	(16,762,398)	(29,473,717)
Amortization of tangible capital assets	-	6,968,817	4,920,358
Loss (Gain) on sale of tangible capital assets	-	5,648	(86,006)
Proceeds on sale of tangible capital assets	-	-	247,582
Decrease (increase) in real estate properties held for sale	-	(571,694)	-
Decrease (increase) in inventories	-	45,315	18,133
Decrease (increase) in prepaid expense	-	(498,471)	(313,334)
	-	(10,812,783)	(24,686,984)
CHANGE IN NET FINANCIAL ASSETS	<u>7,084,680</u>	6,238,850	(6,630,375)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>35,085,527</u>	<u>54,678,679</u>
PRIOR PERIOD ADJUSTMENT (NOTE 20)			(12,962,777)
ADJUSTED NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>35,085,527</u>	<u>41,715,902</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 41,324,377</u>	<u>\$ 35,085,527</u>

The accompanying notes are an integral part of this financial statement

**City of Portage la Prairie
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2024**

	<u>2024</u>	<u>2023</u> Restated (Note 20)
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 17,051,633	\$ 18,056,609
Changes in non-cash items:		
Amounts receivable	1,138,685	(2,552,084)
Inventories	45,315	18,133
Prepays	(498,471)	(313,334)
Accounts payable and accrued liabilities	(1,914,854)	(624,127)
Unearned revenue	1,248,132	40,818,335
Asset retirement obligations	(4,415)	366,166
Donation of real estate property	(571,694)	
Loss (Gain) on sale of tangible capital asset	5,648	(86,006)
Amortization	6,968,817	4,920,358
Cash provided by operating transactions	<u>23,468,796</u>	<u>60,604,050</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	-	247,582
Cash used to acquire tangible capital assets	<u>(16,762,398)</u>	<u>(29,473,716)</u>
Cash applied to capital transactions	<u>(16,762,398)</u>	<u>(29,226,134)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of real estate properties	-	(4,300)
Purchase of portfolio investments	<u>(332,224)</u>	<u>-</u>
Cash applied to investing transactions	<u>(332,224)</u>	<u>(4,300)</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	-	8,350,000
Debt repayment	<u>(2,240,942)</u>	<u>(2,161,068)</u>
Cash applied to financing transactions	<u>(2,240,942)</u>	<u>6,188,932</u>
INCREASE IN CASH	4,133,232	37,562,548
CASH, BEGINNING OF YEAR	<u>104,889,483</u>	<u>67,326,935</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 109,022,715</u>	<u>\$ 104,889,483</u>

The accompanying notes 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, 2024

1. Status of the City of Portage la Prairie

The incorporated City of Portage la Prairie (the "City") is a City that was formed in 1907 pursuant to The Municipal Act. The City provides or funds city services such as police, fire, public works, planning, airport, parks and recreation, library and other general government operations. The City also owns a 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%) (2023 - 66.67%)

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

Portage la Prairie Regional Landfill Authority (66.67%) (2023 - 66.67%)

- provides waste disposal services to the residents of the City

Portage la Prairie Regional Library (77.00%) (2023 - 77.00%)

- provides library services to the residents of the City

Portage Regional Recreation Authority Inc. (75.00%) (2023 - 75.00%)

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

Portage Regional Economic Development (66.67%) (2023 - 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 municipal 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.

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:

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

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 long-term 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.

Based on the nature of transactions in the year, no Statement of Remeasurement Gains and Losses is required.

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.

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.

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.

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.

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

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

Effective January 1, 2024, the City adopted PS 3400 Revenue. PS 3400 addresses how to account for, and report on, revenues. The City used prospective application in the adoption of PS 3400, and the accounting standard has not been applied retroactively. Under prospective application, prior periods are not restated, including the opening accumulated surplus. Adjustments are only applied to events and transactions from January 1, 2024 onwards.

Fees and other revenues:

Exchange transactions are transactions with performance obligations. A performance obligation is a promise to provide a distinct good or service or series of distinct goods or services to a payor for consideration. The City recognizes revenue when the performance obligations are satisfied, and the payor obtains control of the asset or benefits from the service provided.

Non-exchange transactions are transactions or events where there is no direct transfer of goods or services to a payor. The City receives an increase in economic resources for which the payor does not receive any direct goods or services in return. Revenue from non-exchange transactions is recognized when the City has the authority and identifies a past transaction or event that gives rise to an asset.

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Revenue from product sales is recognized when the significant rewards of ownership of the products have passed to the buyer, usually on the delivery of products.

Revenue from contracts with customers is recognized at an amount equal to the transaction price allocated to the specific distinct performance obligation when the performance obligation is satisfied. Revenue from contracts with customers is evaluated and separated into distinct performance obligations when there is a distinct good or service to be transferred in the future.

Government transfers:

Transfer payments from other governments include all accruals determined for current year entitlements that have been authorized by December 31, for which any eligibility criteria have been met and that can be reasonably estimated. A liability is recorded to the extent that a transfer gives rise to an obligation that meets the definition of a liability in accordance with the criteria in PS 3200 Liabilities.

Property taxes:

Revenues from property taxes are accrued in the year they are authorized by Council. Property taxes are recorded net of tax concessions and other adjustments. Transfers made through the tax system are recognized as an expense.

Externally restricted inflows:

Externally restricted inflows are recognized as revenue in the period in which expenses are incurred for the purposes specified. Externally restricted inflows received before the expenses are incurred are reported as a liability.

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.

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

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) Employee Future Benefits

The City pays the employer portion of a multi-employer defined benefit pension plan handled by the Municipal Employees' Pension Plan (MEPP) for its employees. Under this plan, specific fixed amounts are contributed by the City each period for services rendered by the employees matching employee contributions.

For those defined benefit plans that accumulate but do not vest such as sick pay, the benefit costs are recognized and recorded only in the period when the employee is sick given that the liability for sick pay benefits has been determined to be insignificant at year end.

p) 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:

- The Conceptual Framework for Financial Reporting in the Public Sector replaces the conceptual aspects of PSAS 1000 (Financial Statement Concepts) and PSAS 1100 (Financial Statement Objectives) for fiscal years beginning on or after January 1, 2027. The Conceptual Framework is applied prospectively.
- PSAS 1202, Financial Statement Presentation, replaces PSAS 1201 for fiscal years beginning January 1, 2027.

The City is currently assessing the impact of the new standards, and the extent of the impact of their adoption 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>2024</u>	<u>2023</u>
Cash	<u>\$ 109,022,715</u>	<u>\$ 104,889,483</u>
	<u><u>\$ 109,022,715</u></u>	<u><u>\$ 104,889,483</u></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 \$51,536,307 (2023 \$48,298,134) 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>2024</u>	<u>2023</u>
Taxes on roll (Schedule 11)	<u>\$ 869,251</u>	<u>\$ 1,244,655</u>
Government grants	<u>81,700</u>	<u>4,268</u>
Utility customers	<u>2,941,975</u>	<u>2,079,325</u>
Organizations and individuals	<u>4,298,845</u>	<u>5,851,277</u>
Other governments	<u>501,164</u>	<u>641,760</u>
	<u>8,692,935</u>	<u>9,821,285</u>
Less allowances for doubtful amounts	<u>(182,408)</u>	<u>(172,073)</u>
	<u><u>\$ 8,510,527</u></u>	<u><u>\$ 9,649,212</u></u>

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

5. Portfolio Investments

	<u>2024</u>	<u>2023</u>
Guaranteed investment certificate and term deposits	<u>\$ 458,017</u>	<u>\$ 125,793</u>

The aggregate market value of the marketable securities at December 31, 2024 is \$458,017 (2023 - \$125,793). Portfolio investments earned \$17,061 in investment income during the year (2023 - \$6,762).

6. Inventories

Inventories for sale:

	<u>2024</u>	<u>2023</u>
Food and beverages	<u>\$ 255</u>	<u>\$ 255</u>

Inventories for use:

	<u>2024</u>	<u>2023</u>
Chemicals, herbicides, insecticides	\$ 360,715	\$ 393,035
Fuel	7,181	10,394
Other supplies	<u>39,070</u>	<u>48,852</u>
	<u>\$ 406,966</u>	<u>\$ 452,281</u>

7. Accounts Payable and Accrued Liabilities

	<u>2024</u>	<u>2023</u>
Accounts payable	\$ 4,303,286	\$ 6,033,937
Accrued expenses	1,842,460	2,374,230
Accrued interest payable	276,149	329,673
Other governments	9,009	8,973
Due (to) from trust funds	<u>14,410</u>	<u>(386,645)</u>
	<u>\$ 6,445,314</u>	<u>\$ 8,360,168</u>

8. Unearned revenue

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 54,060,418	\$ 14,012,252
Amount received during the year	1,905,552	40,326,955
Less: Amount recognized as revenue during the year	<u>(657,420)</u>	<u>(278,789)</u>
Balance, end of year	<u>\$ 55,308,550</u>	<u>\$ 54,060,418</u>

Included in unearned revenue is \$53,651,833 (2023 - \$53,290,346) received from the Province of Manitoba. The remainder of the unearned revenue is related to grants and government partnership operations.

9. Asset Retirement Obligations

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. 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% (2023 - 5.25%).

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 346,443	\$ 329,162
Accretion expense	<u>18,189</u>	<u>17,281</u>
Estimated total liability	<u>\$ 364,632</u>	<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 \$213,715 (prior year 2023 - \$236,320) is based on the sum of discounted future cash flows of \$247,787 using a discount rate of 4%.

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

10. Long Term Debt

	<u>2024</u>	<u>2023</u>
General Authority:		
Debenture, interest at 5.500%, payable at \$697,379 annually including interest, maturing 2024	\$ -	\$ 660,651
Debenture, interest at 5.500%, payable at \$298,877 annually including interest, maturing 2024	-	283,296
Debenture, interest at 5.500%, payable at \$159,400 annually including interest, maturing 2025	150,920	294,305
Debenture, interest at 5.250%, payable at \$146,966 annually including interest, maturing 2025	139,635	272,305
Debenture, interest at 5.500%, payable at \$145,952 annually including interest, maturing 2024	-	138,343
Debenture, interest at 5.250%, payable at \$19,595 annually including interest, maturing 2025	18,618	36,307
Debenture, interest at 5.250%, payable at \$19,595 annually including interest, maturing 2025	18,618	36,307
Debenture, interest at 5.500%, payable at \$9,963 annually including interest, maturing 2025	9,443	18,394
Debenture, interest at 5.500%, payable at \$9,963 annually including interest, maturing 2025	9,443	18,394
Debenture, interest at 5.250%, payable at \$9,798 annually including interest, maturing 2025	9,309	18,154
Debenture, interest at 5.500%, payable at \$8,468 annually including interest, maturing 2024	-	8,027
Loan payable, interest at 5.000%, payable at \$1,685 monthly including interest, maturing 2024	-	5,735
Debenture, interest at 3.160%, payable at \$346,667 annually including interest, maturing 2037	3,649,347	3,873,808
Debenture, interest at 4.81%, payable at \$794,160, annually including interest, maturing 2038. Initial payment deferred to June 2024.	7,936,292	8,350,000.00
	<u>\$ 11,941,625</u>	<u>\$ 14,014,026</u>
Utility Funds:		
Debenture, interest at 2.600%, payable at \$170,860 annually including interest, maturing 2036	1,642,201	1,764,585
Debenture, interest at 3.160%, payable at \$71,350, annually including interest, maturing 2037	751,100	797,257
	<u>\$ 2,393,301</u>	<u>\$ 2,561,842</u>
	<u>\$ 14,334,926</u>	<u>\$ 16,575,868</u>

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

2025	\$ 1,169,878
2026	843,782
2027	877,230
2028	911,188
2029	945,866
Thereafter	<u>\$ 9,586,982</u>

11. Contractual Obligations

The City has a contract with an independent contractor for P3 management for the period of February 2024 to January 2025

The City has a contract with the Gendis Inc for a building for the period of April 2024 to May 2026.

The City has a contract with the the Royal Canadian Mounted Police for a building for the period of November 2023 to March 2028.

The City has a contract for janitorial services for the period of September 2024 to August 2027.

The City has a contract for By-

The City has a contract with Manitoba Hydro for a water system lease for the period of August 2024 to March 2027.

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

12. Commitment

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 project 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 PS 3250.

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 municipalities on behalf of their employees are expected to be \$636,167(2023 - \$647,376) 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, 2023, indicated the plan was 111.4% funded on a going concern basis and had an unfunded solvency liability of \$24.3 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, 2023.

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. 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.

15. Accumulated Surplus

	<u>2024</u>	<u>2023</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus (deficit)	\$ (3,939,473)	\$ 2,885,662
Utility operating fund(s) - Nominal surplus	4,812,920	(2,391,641)
TCA net of related borrowings	160,524,141	148,532,927
Reserve funds	<u>51,536,307</u>	<u>48,298,134</u>
Accumulated surplus of City unconsolidated	212,933,895	197,325,082
Accumulated surpluses of consolidated entities	<u>8,237,519</u>	6,794,699
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 221,171,414</u>	<u>\$ 204,119,781</u>

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

16. Trust Funds

The City of Portage la Prairie administers the following trust(s) that are not consolidated in these financial statements:

<i>(List Trust Funds)</i>	Balance, beg. of the year	Excess of Receipts over Disbursements	Balance, end of the year
<i>Accessible Playground Equipment</i>	\$ 12,207	\$ 7,360	\$ 19,567
<i>Affordable housing</i>	930,904	(743,249)	187,655
<i>Cemetery Perpetual Trust</i>	390,402	24,587	414,989
<i>Central Park Surplus</i>	(87,561)	115,405	27,844
<i>DARE Program</i>	1,175	68	1,243
<i>Daycare</i>	7,961	73,277	81,238
<i>Fire Equipment</i>	14,715	-	14,715
<i>Heritage Committee Book Sales</i>	3,607	-	3,607
<i>Koko Platz Rink</i>	102,177	5,866	108,043
<i>Manitoba Hydro</i>	53,080	3,780	56,860
<i>Northeast Community Family Care</i>	1,943	112	2,055
<i>West-end Development Trust</i>	25	2	27
<i>Willow Bay Paving In Trust</i>	5,202	299	5,501
	<u>\$ 1,435,837</u>	<u>\$ (512,493)</u>	<u>\$ 923,344</u>

17. Segmented Information

The City 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 segmented information. The nature of the segments and the activities they encompass are as follows with detailed financial data presented in Schedule 4.

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 directly attributed to a specific segment. General Government includes Council indemnities, administration, legal, audit, assessment, taxation, elections, conventions, damage claims, liability insurance, and other government sundry.

Protective Services

Protection is comprised of fire protection, police contract, building inspection, emergency operations and animal control services.

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 Services

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.

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

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.

18. 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:

	<u>2024</u>	<u>2023</u>
Financial Position		
Financial assets	\$ 6,941,003	\$ 5,533,427
Financial liabilities	<u>1,326,317</u>	<u>1,333,958</u>
Net financial assets (liabilities)	5,614,686	4,199,469
Non-financial assets	<u>2,460,178</u>	<u>2,421,688</u>
Accumulated surplus	<u>8,074,864</u>	<u>6,621,157</u>
Result of Operations		
Revenues	5,071,782	3,627,476
Expenses	<u>3,618,075</u>	<u>3,274,459</u>
Annual surplus	<u>\$ 1,453,707</u>	<u>\$ 353,017</u>

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

19. 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	\$ 50,716	\$ -	\$ 1,102	\$ 49,614
Industrial Park Watermain	359,314	-	8,555	350,759
Industrial Watermain & WTP	714,224	-	15,527	698,697
McKay Reservoir	249,554	-	11,091	238,463
Miscellaneous equipment	27,894	-	4,650	23,244
Water Study Pre-design	79,963	-	1,817	78,146
Water Supply Upgrades	728,365	-	16,554	711,811
Water Treatment Plant	1,641,173	-	46,407	1,594,766
Water Treatment Plant Upgrade	266,688	-	17,779	248,909
Water Treatment Plant (2023)	38,500,000	-	-	38,500,000
	<u>\$ 42,617,890</u>	<u>\$ -</u>	<u>\$ 123,482</u>	<u>\$ 42,494,408</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Phase 1 WPCF (LRAR)	\$ 25,245,539	\$ -	\$ 545,849	\$ 24,699,690
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	1,992,687	-	-	1,992,687
SBR Lift Station	1,253,342	-	39,167	1,214,175
Wastewater Plant Study	95,208	-	2,164	93,044
	<u>\$ 41,796,840</u>	<u>\$ -</u>	<u>\$ 587,180</u>	<u>\$ 41,209,660</u>

City of Portage la Prairie
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

20. Prior Period Adjustment

During the year it was determined that due to stipulations in place, certain grant revenues should be included in unearned revenue for reporting under Public Sector Accounting Standards.

Accordingly unearned revenue and nominal surplus were understated. Investment income and reserve funds were overstated. The impact of this correction has been reflected below for the year ended December 31, 2023.

	Prior to Restatement	Restatement	Balance Restated
Unearned Revenue	\$ 39,271,071	\$ 14,789,347	\$ 54,060,418
Accumulated Operating Surplus, Beginning of Year	\$ 199,025,949	\$ (12,962,777)	\$ 186,063,172
Net Financial Assets, Beginning of Year	\$ 54,678,679	\$ (12,962,777)	\$ 41,715,902
Investment Income	\$ 4,736,486	\$ (1,827,599)	\$ 2,908,887

21. Prior Year Figures

The prior year's figures have been adjusted to conform with current year's presentation.

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2024

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	2024	2023
Cost										
Opening costs	\$ 10,890,991	\$ 52,625,875	\$ 10,680,116	\$ 805,298	\$ 23,798,625	\$ 32,447,287	\$ 158,158,454	\$ 6,090,947	\$ 295,497,593	\$ 266,610,242
Additions during the year	151,317	213,567	1,101,526	107,430	11,534,333	32,941,875	3,767,375	2,488,797	52,306,220	53,780,501
Disposals and write downs	-	-	(57,532)	-	(32,542,469)	-	-	(3,001,353)	(35,601,354)	(24,893,150)
Closing costs	11,042,308	52,839,442	11,724,110	912,728	2,790,489	65,389,162	161,925,829	5,578,391	312,202,459	295,497,593
Accumulated Amortization										
Opening accum'd amortization	4,609,149	19,058,196	5,832,325	674,442	-	4,998,274	92,720,476	-	127,892,862	123,379,121
Amortization	240,050	1,270,984	905,758	88,818	-	2,159,071	2,304,136	-	6,968,817	4,920,358
Disposals and write downs	-	-	(51,884)	-	-	-	-	-	(51,884)	(406,617)
Closing accum'd amortization	4,849,199	20,329,180	6,686,199	763,260	-	7,157,345	95,024,612	-	134,809,795	127,892,862
Net Book Value of Tangible Capital Assets	\$ 6,193,109	\$ 32,510,262	\$ 5,037,911	\$ 149,468	\$ 2,790,489	\$ 58,231,817	\$ 66,901,217	\$ 5,578,391	\$ 177,392,664	\$ 167,604,731

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2024

SCHEDULE 2

	2024 Actual	2023 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 12,833,241	\$ 12,500,561
Taxes added	248,080	157,096
Taxes discount	(4,576)	(6,760)
	<u>13,076,745</u>	<u>12,650,897</u>
Grants in lieu of taxation:		
Federal government	46,106	45,133
Provincial government	535,111	585,753
Provincial government enterprises	298,844	301,473
	<u>880,061</u>	<u>932,359</u>
User fees		
Parking meters	38,630	39,159
Sales of service	5,892,574	4,288,569
Sales of goods	102,629	104,388
Rentals	203,174	196,744
	<u>6,237,007</u>	<u>4,628,860</u>
Permits, licences and fines		
Permits	133,361	128,682
Licences	303,597	126,332
Fees	115,597	165,193
	<u>552,555</u>	<u>420,207</u>
Investment income:		
Cash and temporary investments	2,746,109	2,908,887
	<u>2,746,109</u>	<u>2,908,887</u>
Other revenue:		
Gain (loss) on sale of tangible capital assets	(5,648)	86,006
Penalties and interest	168,167	173,359
Miscellaneous:	2,198,220	1,238,759
	<u>2,360,739</u>	<u>1,498,124</u>
Water and sewer		
Municipal utility(ies) (Schedule 9)	21,059,913	14,603,226
	<u>21,059,913</u>	<u>14,603,226</u>
Grants - Province of Manitoba		
Municipal operating grants	1,736,352	1,661,709
Conditional grants	4,832,227	14,344,862
	<u>6,568,579</u>	<u>16,006,571</u>
Grants - other		
Federal government - Canada Community-Building Fund (gas tax)	748,933	781,066
Other municipal governments	658,883	564,073
	<u>1,407,816</u>	<u>1,345,139</u>
Total revenue	<u>\$ 54,889,524</u>	<u>\$ 54,994,270</u>

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2024

SCHEDULE 3

	2024 Actual	2023 Actual
General government services:		
Legislative	\$ 376,627	\$ 362,795
General administrative	2,972,034	2,684,211
Other:	395,328	345,985
	<u>3,743,989</u>	<u>3,392,991</u>
Protective services:		
Police	4,595,339	4,427,702
Fire	2,672,761	2,527,530
Emergency measures	69,090	68,686
Other:	74,647	147,649
	<u>7,411,837</u>	<u>7,171,567</u>
Transportation services:		
Road transport		
Administration and engineering	298,501	262,388
Road and street maintenance	3,846,683	2,134,502
Sidewalk and boulevard maintenance	68,705	87,485
Street lighting	268,283	266,629
Public transit	114,276	115,885
	<u>4,596,448</u>	<u>2,866,889</u>
Environmental health services:		
Waste collection and disposal	1,338,192	1,134,303
Recycling	488,126	395,642
	<u>1,826,318</u>	<u>1,529,945</u>
Public health and welfare services:		
Public health	220,148	169,128
Social assistance	70,721	70,721
	<u>290,869</u>	<u>239,849</u>
Regional planning and development		
Planning and zoning	489,303	400,310
Urban area weed control	201,673	203,600
Other:	194,592	126,679
	<u>885,568</u>	<u>730,589</u>
Resource conservation and industrial development		
Regional development	351,867	304,370
Industrial development	13,219	16,200
Tourism	1,133	1,157
Other:	23,942	9,274
	<u>390,161</u>	<u>331,001</u>
Sub-totals forward	<u>19,145,190</u>	<u>16,262,831</u>

City of Portage la Prairie
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2024

SCHEDULE 3

	2024 Actual	2023 Actual
Sub-totals forward	19,145,190	16,262,831
Recreation and cultural services:		
Administration	4,023,121	3,848,099
Community centers and halls	75,000	72,900
Skating and curling rinks	6,128	6,016
Parks and playgrounds	512,833	554,845
Other recreational facilities	1,902,040	1,874,662
Libraries	343,482	337,676
Other cultural facilities	60,290	55,088
	6,922,894	6,749,286
Water and sewer services		
Municipal utility(ies) (Schedule 9)	11,769,807	13,925,544
	11,769,807	13,925,544
Total expenses	\$ 37,837,891	\$ 36,937,661

City of Portage la Prairie

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2024

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE										
Property taxes	\$ 13,076,745	\$ 12,650,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	880,061	932,359	-	-	-	-	-	-	-	-
User fees	141,411	136,701	759,486	743,024	68,261	59,383	1,752,056	1,373,100	61,265	66,470
Grants - other	-	-	-	-	791,079	820,368	-	-	-	-
Permits, licences and fines	340,990	170,775	211,565	249,432	-	-	-	-	-	-
Investment income	2,532,669	2,717,308	-	-	81	887	7,986	5,865	-	-
Other revenue	2,217,078	1,308,652	-	-	2,022	520	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	1,736,352	1,661,709	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	4,627,116	14,095,876	-	-	37,146	53,876	-	-	-	-
Total revenue	\$ 25,552,422	\$ 33,674,277	\$ 971,051	\$ 992,456	\$ 898,589	\$ 935,034	\$ 1,760,042	\$ 1,378,965	\$ 61,265	\$ 66,470
EXPENSES										
Personnel services	\$ 1,850,203	\$ 1,713,725	\$ 2,761,040	\$ 2,480,245	\$ 961,887	\$ 832,091	\$ 351,900	\$ 267,352	\$ 85,413	\$ 85,594
Contract services	418,575	429,782	3,884,307	4,233,409	61,866	49,317	959,532	810,699	99,775	94,203
Utilities	53,140	56,747	66,820	67,062	311,909	319,175	-	-	6,453	6,261
Maintenance materials and supplies	637,139	500,952	511,356	182,462	667,964	700,449	145,887	104,610	94,758	48,453
Grants and contributions	323,443	248,252	4,041	4,628	(36,500)	(31,377)	50,691	84,447	4,470	5,338
Amortization	93,028	65,603	183,916	199,332	2,604,901	975,230	296,899	242,183	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	368,461	377,930	357	4,429	24,421	22,004	21,409	20,654	-	-
Total expenses	\$ 3,743,989	\$ 3,392,991	\$ 7,411,837	\$ 7,171,567	\$ 4,596,448	\$ 2,866,889	\$ 1,826,318	\$ 1,529,945	\$ 290,869	\$ 239,849
Surplus (Deficit)	\$ 21,808,433	\$ 30,281,286	\$ (6,440,786)	\$ (6,179,111)	\$ (3,697,859)	\$ (1,931,855)	\$ (66,276)	\$ (150,980)	\$ (229,604)	\$ (173,379)

* 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, 2024

SCHEDULE 4

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total
	2024	2023	2024	2023	2024	2023	2024	2023	
REVENUE									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,076,745
Grants in lieu of taxation	-	-	-	-	-	-	-	-	\$ 12,650,897
User fees	1,871,577	666,566	1,036	1,147	1,581,915	1,582,469	-	-	880,061
Grants - other	-	-	74,778	53,970	541,959	470,801	-	-	6,237,007
Permits, licences and fines	-	-	-	-	-	-	-	-	4,628,860
Investment income	-	-	-	-	-	-	-	-	1,345,139
Other revenue	146,115	83,898	-	-	59,258	100,929	-	-	552,555
Water and sewer	-	-	49,848	62,373	91,791	126,579	-	-	2,746,109
Prov of MB - Unconditional Grants	-	-	-	-	-	-	21,059,913	14,603,226	2,360,739
Prov of MB - Conditional Grants	-	-	-	-	-	-	-	-	1,498,124
Total revenue	\$ 2,017,692	\$ 750,464	\$ 125,662	\$ 117,490	\$ 2,442,888	\$ 2,475,888	\$ 21,059,913	\$ 14,603,226	21,059,913
							\$ 1,736,352	-	1,661,709
							4,832,227	-	14,344,862
							\$ 54,889,524	-	\$ 54,994,270
EXPENSES									
Personnel services	\$ 480,190	\$ 391,425	\$ 159,989	\$ 123,638	\$ 2,371,929	\$ 2,298,696	\$ 2,735,253	\$ 2,602,273	\$ 11,757,804
Contract services	273,970	220,935	67,370	50,145	864,894	888,063	2,287,314	2,269,147	8,917,603
Utilities	7,026	7,716	994	1,517	482,876	493,321	1,962,009	4,371,547	2,891,227
Maintenance materials and supplies	79,743	77,558	3,044	1,071	150,782	153,104	2,402,352	2,568,426	4,693,025
Grants and contributions	100,005	-	120,841	113,907	853,427	895,422	-	-	4,337,085
Amortization	22,474	23,685	12,796	416	1,448,482	1,404,311	2,306,321	2,035,967	1,320,617
Interest on long term debt	-	-	-	-	623,037	510,848	73,669	78,184	4,946,727
Other	(77,840)	9,270	25,127	40,307	127,467	105,521	2,889	-	589,032
Total expenses	\$ 885,568	\$ 730,589	\$ 390,161	\$ 331,001	\$ 6,922,894	\$ 6,749,286	\$ 11,769,807	\$ 13,925,544	\$ 37,837,891
Surplus (Deficit)	\$ 1,132,124	\$ 19,875	\$ (264,499)	\$ (213,511)	\$ (4,480,006)	\$ (4,273,398)	\$ 9,290,106	\$ 677,682	\$ 17,051,633

City of Portage la Prairie
CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the Year Ended December 31, 2024

SCHEDULE 5

	Core Government		Controlled Entities		Government Partnerships		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE								
Property taxes	\$ 13,076,745	\$ 12,650,897	\$ -	\$ -	\$ -	\$ -	\$ 13,076,745	\$ 12,650,897
Grants in lieu of taxation	880,061	932,359	-	-	-	-	880,061	932,359
User fees	2,230,877	2,081,423	59,140	52,153	3,946,990	2,495,284	6,237,007	4,628,860
Grants - other	786,079	819,312	5,000	1,056	616,737	524,771	1,407,816	1,345,139
Permits, licences and fines	552,555	420,207	-	-	-	-	552,555	420,207
Investment income	2,532,669	2,717,308	81	887	213,359	190,692	2,746,109	2,908,887
Other revenue	2,217,078	1,308,652	2,022	520	141,639	188,952	2,360,739	1,498,124
Water and sewer	21,059,913	14,603,226	-	-	-	-	21,059,913	14,603,226
Prov of MB - Unconditional Grants	1,736,352	1,661,709	-	-	-	-	1,736,352	1,661,709
Prov of MB - Conditional Grants	4,642,024	14,058,374	37,146	53,876	153,057	232,612	4,832,227	14,344,862
Total revenue	\$ 49,714,353	\$ 51,253,467	\$ 103,389	\$ 108,492	\$ 5,071,782	\$ 3,632,311	\$ 54,889,524	\$ 54,994,270
EXPENSES								
Personnel services	\$ 8,891,438	\$ 8,143,392	\$ 66,731	\$ 67,603	\$ 2,799,635	\$ 2,584,044	\$ 11,757,804	\$ 10,795,039
Contract services	8,092,471	8,197,298	3,264	3,264	821,868	845,138	8,917,603	9,045,700
Utilities	2,457,578	4,885,599	1,872	1,965	431,777	435,782	2,891,227	5,323,346
Maintenance materials and supplies	4,497,523	4,235,817	34,739	32,677	160,763	68,591	4,693,025	4,337,085
Grants and contributions	2,706,399	2,609,418	(36,500)	(31,377)	(1,249,481)	(1,257,424)	1,420,418	1,320,617
Amortization	6,466,568	4,498,467	19,749	19,749	482,500	428,511	6,968,817	4,946,727
Interest on long term debt	694,970	588,394	-	-	1,736	638	696,706	589,032
Other	298,593	384,097	24,421	22,004	169,277	174,014	492,291	580,115
Total expenses	\$ 34,105,540	\$ 33,542,482	\$ 114,276	\$ 115,885	\$ 3,618,075	\$ 3,279,294	\$ 37,837,891	\$ 36,937,661
Surplus (Deficit)	\$ 15,608,813	\$ 17,710,985	\$ (10,887)	\$ (7,393)	\$ 1,453,707	\$ 353,017	\$ 17,051,633	\$ 18,056,609

SCHEDULE 6

**City of Portage la Prairie
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2024**

	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
REVENUE											
Investment income	\$ 163,139	\$ 26,498	\$ 4,799	\$ 39	\$ 25,431	\$ 13,379	\$ 3,943	\$ 28,942	\$ 11,117	\$ 2,412	\$ 547
Other income	-	-	-	-	-	-	-	-	-	-	-
Total revenue	163,139	26,498	4,799	39	25,431	13,379	3,943	28,942	11,117	2,412	547
EXPENSES											
Investment charges	-	-	-	-	-	-	-	-	-	-	-
Other expenses	74,916	20,049	83,092	-	-	-	109	22,071	-	28,954	-
Total expenses	74,916	20,049	83,092	-	-	-	109	22,071	-	28,954	-
NET REVENUES	88,223	6,449	(78,293)	39	25,431	13,379	3,834	6,871	11,117	(26,542)	547
TRANSFERS											
Debt payments											
Transfers from general operating fund	239,000	50,000	210,000	-	-	260,000	100,000	184,000	41,643	18,000	-
Transfers to general operating fund	(1,140,827)	(152,242)	-	-	-	-	-	(75,363)	-	-	-
Transfer from nominal surplus	2,603,366	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	18,000	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-	-
Transfers from reserve fund	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserve fund	-	-	-	-	-	-	-	-	-	-	1,869
Acquisition of tangible capital assets	(1,178,650)	(26,401)	(66,103)	-	-	(500,000)	(283,899)	(25,000)	-	(26,801)	-
CHANGE IN RESERVE FUND BALANCES	611,112	(122,194)	65,604	39	25,431	(226,621)	(180,065)	90,508	52,760	(17,343)	2,416
FUND SURPLUS, BEGINNING OF YEAR	9,188,932	1,467,630	252,089	2,165	1,396,723	646,722	104,255	1,493,682	594,759	135,065	30,053
FUND SURPLUS, END OF YEAR	\$ 9,800,044	\$ 1,345,436	\$ 317,693	\$ 2,204	\$ 1,422,154	\$ 420,101	\$ (75,810)	\$ 1,584,190	\$ 647,519	\$ 117,722	\$ 32,469

SCHEDULE 6

Handivan Reserve	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
\$ 12	\$ 1,840	\$ 1,484	\$ 438	\$ 1,077	\$ 747	\$ 167,660	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,743
-	-	-	-	-	-	-	-	-	-	-	-	-
12	1,840	1,484	438	1,077	747	167,660	-	-	-	-	-	114,743
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	(30,000)	-	22,299	-	-	-	88,905	-	22,974	-	-
-	-	(30,000)	-	22,299	-	-	-	88,905	-	22,974	-	-
12	1,840	31,484	438	(21,222)	747	167,660	-	(88,905)	-	(22,974)	-	114,743
-	-	-	-	50,000	-	748,933	20,000	82,588	82,588	-	9,016	-
-	-	-	-	-	-	-	(125,278)	-	-	(20,368)	(13,973)	(768,041)
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	10,000	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	(92,008)	-	(39,301)	-	-	(36,388)	-	-	-	-	-
12	1,840	(60,524)	438	(10,523)	747	916,593	(141,666)	(6,317)	82,588	(33,342)	(4,957)	(653,298)
657	101,081	101,517	24,064	61,194	807	1,322,110	141,666	65,642	177,841	33,342	4,957	1,550,870
\$ 669	\$ 102,921	\$ 40,993	\$ 24,502	\$ 50,671	\$ 1,554	\$ 2,238,703	\$ -	\$ 59,325	\$ 260,429	\$ -	\$ -	\$ 897,572

SCHEDULE 6

2024													2023
Sask Ave Phase 2 Reserve	Herman Prior Centre Reserve	City Building Reserve	Utility Infrastructure Reserve	Utility Nutrient Removal Reserve	WTP Reserve	Utility Reserve	IP Capital Reserve	WPCF Upgrade MB Reserve	Sask Ave MB ICIP Reserve	Total		Total	
\$ 365,938	\$ -	\$ -	\$ 90,455	\$ 591,154	\$ 11,918	\$ 298,966	\$ 40,718	\$ 376	\$ 5,449	\$ 1,973,221	\$	2,107,603	
365,938	-	-	90,455	591,154	11,918	298,966	40,718	376	5,449	1,973,221		2,107,603	
-	27,980	-	144,750	4,566	-	316,589	-	-	-	827,254		3,312,159	
-	27,980	-	144,750	4,566	-	316,589	-	-	-	827,254		3,312,159	
365,938	(27,980)	-	(54,295)	586,588	11,918	(17,623)	40,718	376	5,449	1,145,967		(1,204,556)	
-	30,450	-	-	500,000	-	-	-	-	-	2,626,218		11,182,037	
-	(17,920)	182,540	-	-	-	-	-	-	-	(2,131,472)		(10,517,033)	
-	-	-	-	-	-	1,506,422	263,877	-	-	4,373,665		4,921,116	
-	-	-	-	-	-	966,284	-	(17,964)	-	984,284		18,000	
-	-	-	-	-	-	-	-	-	-	(17,964)		-	
-	-	-	-	-	-	-	-	-	-	10,000		-	
-	-	-	-	-	-	-	-	-	-	1,869		-	
-	-	-	(176,467)	(210,736)	-	(1,092,642)	-	-	-	(3,754,396)		(4,154,542)	
365,938	(15,450)	182,540	(230,762)	875,852	11,918	1,362,441	304,595	(17,588)	5,449	3,238,171		245,022	
5,973,100	15,450	-	2,058,213	12,520,505	62,744	7,694,015	1,024,644	17,588	34,054	48,298,136		48,053,112	
\$ 6,339,038	\$ -	\$ 182,540	\$ 1,827,451	\$ 13,396,357	\$ 74,662	\$ 9,056,456	\$ 1,329,239	\$ -	\$ 39,503	\$ 51,536,307	\$	48,298,134	

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

For the Year Ended December 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue (specify)	-	-	-
Total revenue	-	-	-
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	-	-	-
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other (specify):	-	-	-
Change in L.U.D. balances	-	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		-	-

City of Portage la Prairie
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
As at December 31, 2024

SCHEDULE 8

	<u>2024</u>	<u>2023</u>
	<u>Total</u>	<u>Total</u>
FINANCIAL ASSETS		
Amounts receivable	2,940,568	2,077,900
Due from other funds	<u>93,892,627</u>	<u>87,426,763</u>
	<u>\$ 96,833,195</u>	<u>\$ 89,504,663</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 177,688	\$ 476,033
Unearned revenue	53,651,833	53,290,346
Long-term debt (Note 9)	2,393,301	2,561,842
Asset retirement obligations (Note 8)	<u>58,314</u>	<u>51,814</u>
	<u>56,281,136</u>	<u>56,380,035</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 40,552,059</u>	<u>\$ 33,124,628</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 72,479,608	\$ 71,528,923
Inventories	360,715	393,035
Prepaid expenses	<u>6,845</u>	<u>28,854</u>
	<u>72,847,168</u>	<u>71,950,812</u>
FUND SURPLUS (DEFICIT)	<u>\$113,399,227</u>	<u>\$ 105,075,440</u>
COMMITMENTS AND CONTINGENCIES (Notes 12 and 13)		

City of Portage la Prairie
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2024

SCHEDULE 9

	<u>Budget</u>	<u>2024</u>	<u>2023</u>
REVENUE			
Water			
Water fees	\$ 12,558,000	\$ 15,440,470	\$ 13,554,440
Bulk Water fees	-	13,914	12,804
sub-total- water	<u>12,558,000</u>	<u>15,454,384</u>	<u>13,567,244</u>
Sewer			
Sewer fees	10,500	13,005	13,837
sub-total- sewer	<u>10,500</u>	<u>13,005</u>	<u>13,837</u>
Government transfers			
Operating	3,568,783	5,106,461	591,423
sub-total- government transfers	<u>3,568,783</u>	<u>5,106,461</u>	<u>591,423</u>
Other			
Hydrant rentals	58,000	59,195	58,776
Connection charges	19,000	102,563	23,450
Penalties	11,500	14,489	12,233
Investment income	-	301,241	329,128
Other income (specify)	99,150	8,575	7,135
sub-total- other	<u>187,650</u>	<u>486,063</u>	<u>430,722</u>
Total revenue	<u>\$ 16,324,933</u>	<u>\$ 21,059,913</u>	<u>\$ 14,603,226</u>

City of Portage la Prairie
SCHEDULE OF UTILITY OPERATIONS (cont'd) - Name of Utility
For the Year Ended December 31, 2024

SCHEDULE 9

	<u>Budget</u>	<u>2024</u>	<u>2023</u>
EXPENSES			
General			
Administration	\$ 1,790,592	\$ 1,682,237	\$ 1,602,070
Utilities (telephone, electricity, etc.)	-	49,590	266
sub-total- general	<u>1,790,592</u>	<u>1,731,827</u>	<u>1,602,336</u>
Water General			
Purification and treatment	4,389,423	4,064,782	4,082,092
Transmission and distribution	1,967,129	1,402,747	1,513,181
Other (specify)	-	475,589	3,052,648
sub-total- water general	<u>6,356,552</u>	<u>5,943,118</u>	<u>8,647,921</u>
Water Amort., Accretion & Interest			
Amortization	-	2,023,361	1,753,519
sub-total- water amortization & interest	<u>-</u>	<u>2,023,361</u>	<u>1,753,519</u>
Sewer General			
Collection system costs	1,198,181	823,384	713,067
Treatment and disposal cost	1,079,620	522,851	539,970
Lift Station costs	332,211	368,638	308,099
sub-total- sewer general	<u>2,610,012</u>	<u>1,714,873</u>	<u>1,561,136</u>
Sewage Amort., Accretion & Interest			
Amortization	-	282,958	282,448
Interest on long term debt	-	73,669	78,184
sub-total- sewer amortization & interest	<u>-</u>	<u>356,627</u>	<u>360,632</u>
Total expenses	<u>10,757,156</u>	<u>11,769,806</u>	<u>13,925,544</u>
NET OPERATING SURPLUS	<u>5,567,777</u>	<u>9,290,107</u>	<u>677,682</u>
TRANSFERS			
Transfers from (to) operating fund	1,356,722	-	-
Transfers from (to) reserve funds	<u>(2,323,006)</u>	<u>(966,320)</u>	<u>2,827,711</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ 4,601,493</u>	<u>8,323,787</u>	<u>3,505,393</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>105,075,440</u>	<u>101,570,047</u>
FUND SURPLUS, END OF YEAR		<u>\$ 113,399,227</u>	<u>\$ 105,075,440</u>

SCHEDULE 10

**City of Portage la Prairie
RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the Year Ended December 31, 2024**

	Financial Plan General	Financial Plan Utility(ies)	Amortization & Accretion	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 12,053,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,053,080
Grants in lieu of taxation	1,660,222	-	-	-	-	-	-	1,660,222
User fees	2,246,086	-	-	-	-	-	4,006,130	6,252,216
Permits, licences and fines	280,600	-	-	-	-	-	621,737	902,337
Investment income	170,000	-	-	-	-	-	-	170,000
Other revenue	8,942,022	-	-	-	(8,477,932)	-	-	677,530
Water and sewer	-	16,324,933	-	-	-	-	213,440	16,468,594
Grants - Province of Manitoba	4,420,683	-	-	-	-	-	143,661	4,420,683
Grants - other	3,708,514	-	-	-	-	-	-	3,708,514
Transfers from accumulated surplus	2,353,367	1,356,722	-	-	(3,710,089)	-	190,203	3,898,717
Transfers from reserves	-	-	-	-	-	-	-	-
Total revenue	\$ 35,834,574	\$ 17,681,655	\$ -	\$ -	\$ (12,188,021)	\$ -	\$ 5,175,171	\$ 46,503,379
EXPENSES								
General government services	\$ 3,005,858	\$ -	\$ 93,028	\$ -	\$ -	\$ -	\$ -	\$ 3,098,886
Protective services	7,671,134	-	183,916	-	-	-	-	7,855,050
Transportation services	2,898,354	-	2,604,901	-	-	-	94,529	5,597,784
Environmental health services	1,205,543	-	296,899	-	-	-	314,286	1,816,728
Public health and welfare services	341,783	-	-	-	-	-	-	341,783
Regional planning and development	381,551	-	22,474	-	-	-	540,276	944,301
Resource cons and industrial dev	282,055	-	12,796	-	-	-	88,266	383,117
Recreation and cultural services	2,676,346	-	1,448,482	-	-	-	2,192,745	6,317,573
Water and sewer services	-	10,757,156	2,306,321	-	-	-	-	13,063,477
Fiscal services:								
Transfer to capital	11,268,140	3,568,783	-	-	(14,836,923)	-	-	-
Debt charges	2,666,783	-	-	(2,666,783)	-	-	-	-
Short term interest	227,000	-	-	-	(227,000)	-	-	-
Transfer to reserves	3,146,445	3,355,716	-	-	(6,502,161)	-	-	-
Allowance for tax assets	63,582	-	-	-	(63,582)	-	-	-
Total expenses	\$ 35,834,574	\$ 17,681,655	\$ 6,968,817	\$ (2,666,783)	\$ (21,629,666)	\$ -	\$ 3,230,102	\$ 39,418,699
Surplus (Deficit)	\$ -	\$ -	\$ (6,968,817)	\$ 2,666,783	\$ 9,441,645	\$ -	\$ 1,945,069	\$ 7,084,680

City of Portage la Prairie
ANALYSIS OF TAXES ON ROLL
December 31, 2024

SCHEDULE 11

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 1,244,655	\$ 1,035,343
Add:		
Tax levy (Schedule 12)	21,396,476	20,724,386
Taxes added	248,080	157,096
Penalties or interest	168,167	173,359
Other accounts added	-	-
Tax Adjustments (specify)	-	-
Sub-total	21,812,723	21,054,841
Deduct:		
Cash collections - current	19,102,622	18,105,371
Cash collections - arrears	1,908,045	1,566,519
Writeoffs	-	-
Tax discounts	4,575	6,760
E.P.T.C. - cash advance	1,172,885	1,166,879
Other credits (specify)	-	-
Sub-total	22,188,127	20,845,529
Balance, end of year	\$ 869,251	\$ 1,244,655

City of Portage la Prairie
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2024

SCHEDULE 12

	2024			2023
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Debt - PCU Centre	\$ 611,252,230	\$ 2.33	\$ 1,426,663	\$ 1,418,632
Debt - NE Transportation Route	\$ 611,252,230	\$ 1.75	1,069,691	322,251
sub-total - L.U.D.			<u>2,496,354</u>	<u>1,740,884</u>
Debt charges:				
Frontage	\$ -	\$ -	-	-
L.I.D.	\$ -	\$ -	-	-
Other (specify)	\$ -	\$ -	-	-
sub-total - Debt charges			<u>-</u>	<u>-</u>
Deferred surplus	\$ -	\$ -	<u>-</u>	<u>-</u>
Reserves:				
Reserve - Glesby Centre	\$ 611,252,230	\$ 0.03	18,949	18,778
Reserve - Handicap Access	\$ 611,252,230	\$ 0.15	93,522	46,642
Reserve - Fire	\$ 611,252,230	\$ 0.40	243,278	195,653
Reserve - Sidewalk	\$ 611,252,230	\$ 0.08	47,066	46,642
Reserve - General	\$ 611,252,230	\$ 0.37	223,718	183,538
Reserve - Equipment Replacemer	\$ 611,252,230	\$ 0.32	196,823	149,011
sub-total - Reserves			<u>823,357</u>	<u>640,262</u>
General municipal	\$ 611,252,230	\$ 15.32	<u>9,363,773</u>	<u>9,970,405</u>
Special levies:				
Assessment Levy	\$ 611,252,230	\$ 0.25	149,757	149,011
Business tax (rate%)	\$ -	\$ -	<u>-</u>	<u>-</u>
Total municipal taxes (Schedule 2)			<u>12,833,241</u>	<u>12,500,561</u>
Education support levy	\$ 147,418,070	\$ 8.13	<u>1,198,214</u>	<u>1,191,078</u>
Special levies:				
Portage la Prairie School Division	\$ 595,057,050	\$ 12.38	7,365,021	7,032,747
sub-total - Special levies			<u>7,365,021</u>	<u>7,032,747</u>
Total education taxes			<u>8,563,235</u>	<u>8,223,825</u>
Total tax levy (Schedule 11)			<u>\$ 21,396,476</u>	<u>\$ 20,724,386</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2024

	2024 Actual	2023 Actual
General government services:		
Legislative	\$ 376,627	\$ 362,795
General administrative	2,975,743	2,687,185
Other	399,904	352,745
	<u>3,752,274</u>	<u>3,402,725</u>
Protective services:		
Police	4,595,339	4,427,701
Fire	2,672,761	2,520,598
Emergency measures	69,089	68,686
Other	74,646	147,649
	<u>7,411,835</u>	<u>7,164,634</u>
Transportation services:		
Road transport		
Administration and engineering	298,501	262,389
Road and street maintenance	3,846,683	2,134,502
Sidewalk and boulevard maintenance	68,705	87,485
Street lighting	268,283	266,629
	<u>4,482,172</u>	<u>2,751,005</u>
Environmental health services:		
Waste collection and disposal	827,085	717,300
Recycling	488,127	395,642
	<u>1,315,212</u>	<u>1,112,942</u>
Public health and welfare services:		
Public health	201,731	155,339
Social assistance	70,721	70,721
Other	4,470	5,338
	<u>276,922</u>	<u>231,398</u>
Regional planning and development		
Planning and zoning	(69,640)	5,481
Urban area weed control	201,673	203,600
Other	194,593	126,679
	<u>326,626</u>	<u>335,760</u>
Resource conservation and industrial development		
Regional development	263,305	170,686
Industrial development	13,219	16,200
Tourism	1,133	1,157
Other	23,942	9,274
	<u>301,599</u>	<u>197,317</u>
Sub-totals forward	<u>17,866,640</u>	<u>15,195,781</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2024

	2024 Actual	2023 Actual
Sub-totals forward	17,866,640	15,195,781
Recreation and cultural services:		
Administration	1,563,660	1,514,321
Community centers and halls	75,000	72,900
Skating and curling rinks	6,128	6,016
Parks and playgrounds	512,833	554,845
Other recreational facilities	1,902,040	1,874,662
Libraries	343,482	337,676
Other cultural facilities	60,289	55,088
	4,463,432	4,415,508
Total expenses	\$ 22,330,072	\$ 19,611,289

City of Portage la Prairie
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
December 31, 2024

SCHEDULE 14
(Unaudited)

	2024		2023
	General	Utility	Total
			Total Restated (Note 24)
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT			
	\$ 1,172,857	\$ 3,758,390	\$ 4,931,247
Adjustments for reporting under public sector accounting standards			
Eliminate expense - transfers to reserves	232,085	1,356,722	1,588,807
Eliminate revenue - transfers from reserves	(7,834,597)	(1,396,426)	(9,231,023)
Increase revenue - reserve funds interest	1,973,221	-	1,973,221
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	1,442,820	-	1,442,820
Increase (Decrease) revenue - grant authorized	-	-	-
Increase expenses - liability estimate for PSAB purposes	-	-	-
Eliminate revenue - grant claims	138,723	4,203,326	4,342,049
Eliminate revenue - transfer from nominal surplus(es)	-	-	-
Increase revenue (increase expense) - gain (loss) on sale of tangible capital assets	(5,648)	-	(5,648)
Increase expense - proceeds on sale of tangible capital assets	-	-	-
Increase expense - amortization of tangible capital assets	(4,179,460)	(2,304,136)	(6,483,596)
Increase expense - accretion expense of asset retirement obligation	(5,761)	(2,183)	(7,944)
Decrease expense - principal portion of debenture debt	2,119,953	168,777	2,288,730
Increase expense - debt issuance	-	-	-
Eliminate expense - acquisitions of tangible capital assets	12,707,333	3,505,637	16,212,970
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 7,761,526	\$ 9,290,107	\$ 17,051,633
			\$ 18,056,609