City of Portage la Prairie

Consolidated Financial Statements
For the Year Ended December 31, 2025

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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BDO Canada LLP
148 - 10th Street
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, 2025, 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, 2025, 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.

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 29, 2026

City of Portage la Prairie
Consolidated Financial Statements
For the Year Ended December 31, 2025

City of Portage la Prairie
Consolidated Statement of Financial Position
As at December 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash and cash equivalents (Note 3)	**$ 116,713,011**	$ 109,022,715
Amounts receivable (Note 4)	**7,457,270**	8,510,527
Portfolio investments (Note 5)	**183,427**	458,017
Other inventories for sale (Note 6)	**255**	255
	$ 124,353,963	$ 117,991,514
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	**$ 5,859,872**	$ 6,445,314
Unearned revenue (Note 8)	**57,430,717**	55,308,550
Asset retirement obligations (Note 9)	**598,585**	578,347
Long-term debt (Note 10)	**13,154,237**	14,334,926
	77,043,411	76,667,137
NET FINANCIAL ASSETS	**$ 47,310,552**	$ 41,324,377
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	**$ 179,987,108**	$ 177,392,664
Inventories (Note 6)	**479,488**	406,966
Real estate properties held for sale	**1,035,781**	963,280
Prepaid expenses	**745,596**	1,084,127
	182,247,973	179,847,037
ACCUMULATED SURPLUS (Note 15)	**$ 229,558,525**	$ 221,171,414

COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)

Approved on behalf of council:

Mayor

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, 2025

	2025 Budget (Note 14)	2025 Actual	2024 Actual
REVENUE			
Property taxes	**$ 12,435,582**	**$ 12,516,485**	$ 13,076,745
Grants in lieu of taxation	**1,827,025**	**1,827,025**	880,061
User fees	**5,217,425**	**5,146,315**	6,237,007
Permits, licences and fines	**977,572**	**433,653**	552,555
Investment income	**260,000**	**1,835,018**	2,746,109
Other revenue	**627,521**	**987,181**	2,360,739
Water and sewer	**59,692,965**	**19,142,576**	21,059,913
Grants - Province of Manitoba	**1,816,510**	**6,064,482**	6,568,579
Grants - other	**5,189,702**	**1,466,736**	1,407,816
Total revenue (Schedules 2, 4 and 5)	**88,044,302**	**49,419,471**	54,889,524
EXPENSES			
General government services	**3,255,526**	**3,642,388**	3,743,989
Protective services	**8,293,866**	**8,365,833**	7,411,837
Transportation services	**5,919,581**	**4,635,561**	4,596,448
Environmental health services	**1,940,697**	**1,998,495**	1,826,318
Public health and welfare services	**353,205**	**254,019**	290,869
Regional planning and development	**960,251**	**890,159**	885,568
Resource conservation and industrial development	**425,470**	**430,062**	390,161
Recreation and cultural services	**6,089,340**	**6,934,685**	6,922,894
Water and sewer services	**13,654,961**	**13,881,158**	11,769,807
Total expenses (Schedules 3, 4 and 5)	**40,892,897**	**41,032,360**	37,837,891
ANNUAL OPERATING SURPLUS	**$ 47,151,405**	**8,387,111**	17,051,633
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR		**221,171,414**	204,119,781
ACCUMULATED OPERATING SURPLUS, END OF YEAR		**$ 229,558,525**	$ 221,171,414

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, 2025

	2025 Budget (Note 14)	2025 Actual	2024 Actual
ANNUAL SURPLUS (DEFICIT)	$ 47,151,405	$ 8,387,111	$ 17,051,633
Acquisition of tangible capital assets	-	(10,493,974)	(16,762,398)
Amortization of tangible capital assets	-	7,567,104	6,968,817
Loss (Gain) on sale of tangible capital assets	-	428,248	5,648
Proceeds on sale of tangible capital assets	-	(95,822)	-
Decrease (increase) in real estate properties held for sale	-	(72,501)	(571,694)
Decrease (increase) in inventories	-	(72,522)	45,315
Decrease (increase) in prepaid expense	-	338,531	(498,471)
	-	(2,400,936)	(10,812,783)
CHANGE IN NET FINANCIAL ASSETS	47,151,405	5,986,175	6,238,850
NET FINANCIAL ASSETS, BEGINNING OF YEAR		41,324,377	35,085,527
NET FINANCIAL ASSETS, END OF YEAR		$ 47,310,552	$ 41,324,377

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, 2025

	2025	2024
OPERATING TRANSACTIONS		
Annual surplus (deficit)	**$ 8,387,111**	$ 17,051,633
Changes in non-cash items:		
Amounts receivable	**1,053,257**	1,138,685
Inventories	**(72,522)**	45,315
Prepaids	**338,531**	(498,471)
Accounts payable and accrued liabilities	**(585,442)**	(1,914,854)
Unearned revenue	**2,122,167**	1,248,132
Asset retirement obligations	**28,420**	(4,415)
Donation of real estate property	**(72,501)**	(571,694)
Loss (Gain) on sale of tangible capital asset	**324,244**	5,648
Amortization	**7,567,104**	6,968,817
Cash provided by operating transactions	**19,090,370**	23,468,796
CAPITAL TRANSACTIONS		
Cash used to acquire tangible capital assets	**(10,493,974)**	(16,762,398)
Cash applied to capital transactions	**(10,493,974)**	(16,762,398)
INVESTING TRANSACTIONS		
Purchase of portfolio investments	**274,590**	(332,224)
Cash applied to investing transactions	**274,590**	(332,224)
FINANCING TRANSACTIONS		
Proceeds of long-term debt	**-**	-
Debt repayment	**(1,180,689)**	(2,240,942)
Cash applied to financing transactions	**(1,180,689)**	(2,240,942)
INCREASE IN CASH	**7,690,296**	4,133,232
CASH, BEGINNING OF YEAR	**109,022,715**	104,889,483
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	**$ 116,713,011**	$ 109,022,715

The accompanying notes are an integral part of this financial statement

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%) (2024 - 66.67%)
- provides development and sub-division planning services to the residents of the City.

Portage la Prairie Regional Landfill Authority (66.67%) (2024 - 66.67%)
- provides waste disposal services to the residents of the City

Portage la Prairie Regional Library (77.00%) (2024 - 77.00%)
- provides library services to the residents of the City

Portage Regional Recreation Authority Inc. (75.00%) (2024 - 75.00%)
- provides recreational, health and wellness services to the residents of the City

Portage Regional Economic Development (66.67%) (2024 - 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:

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.

c) Financial instruments (continued)

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.

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

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.

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.

j) Revenue Recognition (continued)

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.

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:

	2025	2024
Cash	$ **116,713,011**	$ 109,022,715
	$ **116,713,011**	$ 109,022,715

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 $46,834,220 (2024 $44,965,927) 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.

	2025	2024
Taxes on roll (Schedule 11)	$ **1,183,257**	$ 869,251
Government grants	**(71)**	81,700
Utility customers	**2,628,664**	2,941,975
Organizations and individuals	**3,583,648**	4,298,845
Other governments	**349,440**	501,164
	7,744,939	8,692,935
Less allowances for doubtful amounts	**(287,669)**	(182,408)
	$ **7,457,270**	$ 8,510,527

5. Portfolio Investments

	2025	2024
Guaranteed investment certificate and term deposits	$ **183,427**	$ 458,017

The aggregate market value of the marketable securities at December 31, 2025 is $137,393 ($458,017 in 2024). Portfolio investments earned $5,178 in investment income during the year ($17,061 in 2024).

6. Inventories

Inventories for sale:

	2025	2024
Food and beverages	$ **255**	$ 255

Inventories for use:

	2025	2024
Chemicals, herbicides, insecticides	$ **431,444**	$ 360,715
Fuel	**11,215**	7,181
Other supplies	**36,830**	39,070
	$ **479,488**	$ 406,966

7. Accounts Payable and Accrued Liabilities

	2025	2024
Accounts payable	$ **4,536,655**	$ 4,303,286
Accrued expenses	**1,060,969**	1,842,460
Accrued interest payable	**252,808**	276,149
Other governments	**5,180**	9,009
Due (to) from trust funds	**4,261**	14,410
	$ **5,859,872**	$ 6,445,314

8. Unearned revenue

	2025	2024
Balance, beginning of year	$ **55,308,550**	$ 54,060,418
Amount received during the year	**3,051,536**	1,905,552
Less: Amount recognized as revenue during the year	**(929,370)**	(657,420)
Balance, end of year	$ **57,430,717**	$ 55,308,550

Included in unearned revenue is $56,797,954 ($54,717,787 in 2024) 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 2026 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% (5.25% in 2024).

	2025	2024
Balance, beginning of year	$ **364,632**	$ 346,443
Accretion expense	**19,143**	18,189
Estimated total liability	$ **383,775**	$ 364,632

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 $214,810 (prior year 2024 - $213,715) is based on the sum of discounted future cash flows of $247,787 using a discount rate of 4%.

10. Long Term Debt

	2025	2024
General Authority:		
Debenture, paid in the year	-	150,920
Debenture, paid in the year	-	139,635
Debenture, paid in the year	-	18,618
Debenture, paid in the year	-	18,618
Debenture, paid in the year	-	9,443
Debenture, paid in the year	-	9,443
Debenture, paid in the year	-	9,309
Debenture, interest at 3.160%, payable at $346,667 annually including interest, maturing 2037	**3,417,843**	3,649,347
Debenture, interest at 4.81%, payable at $794,160, annually including interest, maturing 2038. Initial payment deferred to June 2024.	**7,527,101**	7,936,292
	$ 10,944,945	$ 11,941,625
Utility Funds:		
Debenture, interest at 2.600%, payable at $170,860 annually including interest, maturing 2036	**1,505,836**	1,642,201
Debenture, interest at 3.160%, payable at $71,350, annually including interest, maturing 2037	**703,456**	751,100
	$ 2,209,292	$ 2,393,301
	$ 13,154,237	$ 14,334,926

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

2026	843,782
2027	877,230
2028	911,188
2029	945,866
2030	986,864
Thereafter	8,589,306
	$ 13,154,237

Schedule of Debenture Pending

Authority	Purpose	Amount Authorized
By-law # 24-8772	WTP Upgrade	$ 55,204,000

11. Contractual Obligations

The City has a contract with MGM Environmental for the collection of residential waste for the period of August 2025 to July 2028 for a total value of $2,072,280.

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.

The City received funding from the Government of Manitoba to support strategic infrastructure projects. As of the date of the financial statements, the funding has not been fully utilized and a portion remains unspent. Accordingly, $1,106,659 of the funding received is committed to future expenditures related to strategic infrastructure projects.

The City received funding from the Government of Manitoba for the Fire Hall Upgrade Project. As of the date of the financial statements, the project has not been completed and a portion of the funding remains unspent. Accordingly, $366,860 of the funding received is committed to future expenditures related to the completion of the Fire Hall Upgrade Project.

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 $693,476 (2024 - $636,167) 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, 2024, indicated the plan was 109.97% funded on a going concern basis and had an unfunded solvency liability of $16.325 million, making the plan 98.4% funded on a solvency basis. 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, 2024.

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

	2025	2024
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus (deficit)	**$ 5,278,134**	$ 2,631,650
Utility operating fund(s) - Nominal surplus	**4,939,524**	4,812,920
TCA net of related borrowings	**164,046,425**	160,524,141
Reserve funds	**46,834,220**	44,965,184
Accumulated surplus of City unconsolidated	**221,098,303**	212,933,895
Accumulated surpluses of consolidated entities	**8,460,222**	8,237,519
Accumulated surplus per Consolidated Statement of Financial Position	**$ 229,558,525**	$ 221,171,414

16. Trust Funds

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

	Balance, beg. of the year	Excess of Receipts over Disbursements	Balance, end of the year
Accessible Playground Equipment	$ 19,567	$ 56,161	$ 75,728
Affordable housing	187,655	12,664	200,319
Cemetary Perpetual Trust	414,989	18,694	433,683
Central Park Surplus	24,844	(17,030)	7,814
Cenotaph Restoration Donation Trust	-	3,871	3,871
DARE Program	1,243	47	1,290
Daycare	81,238	(62,562)	18,676
Fire Equipment	14,715	-	14,715
Heritage Committee Book Sales	3,607	-	3,607
Koko Platz Rink	108,043	(91,026)	17,017
Manitoba Hydro	56,860	2,658	59,518
Northeast Community Family Care	2,055	79	2,134
Prairie Unity Pow-Wow	-	5,531	5,531
West-end Development Trust	27	1	28
Willow Bay Paving In Trust	5,501	210	5,711
	$ 920,344	**$ (70,702)**	**$ 849,642**

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.

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.

17. Segmented Information (continued)

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:

	2025	2024
Financial Position		
Financial assets	**$ 6,771,005**	$ 6,941,003
Financial liabilities	**1,351,233**	1,326,317
Net financial assets (liabilities)	**5,419,772**	5,614,686
Non-financial assets	**2,732,090**	2,460,178
Accumulated surplus	**8,151,862**	8,074,864
Result of Operations		
Revenues	**3,677,089**	5,071,782
Expenses	**3,513,100**	3,618,075
Annual surplus	**$ 163,989**	$ 1,453,707

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	$ 49,612	$ -	$ 1,102	$ 48,510
Industrial Park Watermain	350,758	-	8,555	342,203
Industrial Watermain & WTP	698,699	-	15,527	683,172
McKay Reservoir	238,462	-	11,091	227,371
Miscellaneous equipment	23,242	-	4,650	18,592
Water Study Pre-design	78,145	-	1,817	76,328
Water Supply Upgrades	711,812	-	16,554	695,258
Water Treatment Plant	1,594,767	-	46,407	1,548,360
Water Treatment Plant Upgrade	248,908	-	17,779	231,129
Water Treatment Plant (2023) #	38,500,000	54,750	-	38,554,750
Water Treatment Plant Interest	2,770,672	1,788,574	-	4,559,246
McKay Reservoir Roof Repair	19,232	-	483	18,749
WTP Ventilation System	42,930	-	1,101	41,829
	$ 45,327,239	$ 1,843,324	$ 125,066	$ 47,045,497

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Phase 1 WPCF (LRAR)	$ 24,699,688	$ -	$ 545,849	$ 24,153,839
Phase 2 WPCF (LRAR)	4,210,064	760,980	-	4,971,044
Phase 2 WPCF (Plant Upgrade)	9,000,000	-	-	9,000,000
Sask Ave W Phase 1 Utility	1,992,687	(2,831)	32,577	1,957,278
SBR Lift Station	1,214,175	-	39,167	1,175,008
Wastewater Plant Study	93,045	-	2,164	90,881
	$ 41,209,659	$ 758,149	$ 619,757	$ 41,348,050

20. Prior Year Figures

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

21. Contingent Liability

The Canada Revenue Agency (CRA) reassessed the Entity's Canada Emergency Wage Subsidy (CEWS) claims and issued a Notice of Assessment in 2025 in the amount of $1,048,769. The Entity is disputing the reassessment and has filed an appeal with the Tax Court of Canada. The assessed amount is currently in CRA collections. The outcome of the appeal and the amount, if any, that may ultimately be payable cannot be determined at this time. No amount has been accrued in these financial statements.

City of Portage la Prairie **SCHEDULE 1**

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2025

	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	2025	2024
Cost										
Opening costs	$ 11,052,596	$ 52,807,593	$ 11,396,430	$ 1,070,232	$ 2,742,609	$ 65,387,726	$ 162,162,335	$ 5,578,390	$ 312,197,911	$ 295,497,593
Additions during the year	306,071	3,274,200	1,418,520	19,702	4,080,148	72,332	2,492,139	2,910,645	14,573,757	52,306,220
Disposals and write downs	-	(25,000)	(294,125)	(22,234)	(3,075,481)	-	(384,580)	(1,004,302)	(4,805,722)	(35,601,354)
Closing costs	11,358,667	56,056,793	12,520,825	1,067,700	3,747,276	65,460,058	164,269,894	7,484,733	321,965,946	312,202,459
Accumulated Amortization										
								-		
Opening accum'd amortization	4,849,256	20,321,808	6,693,005	763,637	-	7,157,390	95,046,194	-	134,831,290	127,892,862
Amortization	370,029	1,239,878	1,148,902	103,868	-	2,183,558	2,520,869	-	7,567,104	6,968,817
Disposals and write downs	-	(12,500)	(237,045)	(22,234)	-	-	(147,777)	-	(419,556)	(51,884)
Closing accum'd amortization	5,219,285	21,549,186	7,604,862	845,271	-	9,340,948	97,419,286	-	141,978,838	134,809,795
Net Book Value of Tangible Capital Assets	$ 6,139,382	$ 34,507,607	$ 4,915,963	$ 222,429	$ 3,747,276	$ 56,119,110	$ 66,850,608	$ 7,484,733	$ 179,987,108	$ 177,392,664

CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2025

	2025 Actual	2024 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	**$ 12,435,582**	$ 12,833,241
Taxes added	**86,496**	248,080
Taxes discount	**(5,593)**	(4,576)
	12,516,485	13,076,745
Grants in lieu of taxation:		
Federal government	**48,594**	46,106
Provincial government	**749,791**	535,111
Provincial government enterprises	**1,028,640**	298,844
	1,827,025	880,061
User fees		
Parking meters	**37,738**	38,630
Sales of service	**4,865,195**	5,892,574
Sales of goods	**83,193**	102,629
Rentals	**160,189**	203,174
	5,146,315	6,237,007
Permits, licences and fines		
Permits	**145,854**	133,361
Licences	**126,212**	303,597
Fees	**161,587**	115,597
	433,653	552,555
Investment income:		
Cash and temporary investments	**1,835,018**	2,746,109
	1,835,018	2,746,109
Other revenue:		
Gain (loss) on sale of tangible capital assets	**25,068**	(5,648)
Penalties and interest	**163,449**	168,167
Miscellaneous:	**798,664**	2,198,220
	987,181	2,360,739
Water and sewer		
Municipal utility(ies) (Schedule 9)	**19,142,576**	21,059,913
	19,142,576	21,059,913
Grants - Province of Manitoba		
Municipal operating grants	**1,883,381**	1,736,352
Conditional grants	**4,181,101**	4,832,227
	6,064,482	6,568,579
Grants - other		
Federal government - Canada Community-Building Fund (gas tax)	**780,138**	748,933
Other municipal governments	**686,598**	658,883
	1,466,736	1,407,816
Total revenue	**$ 49,419,471**	$ 54,889,524

CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2025

	2025 Actual	2024 Actual
General government services:		
Legislative	$ 404,398	$ 376,627
General administrative	2,926,409	2,972,034
Other:	311,581	395,328
	3,642,388	3,743,989
Protective services:		
Police	4,925,423	4,595,339
Fire	3,274,582	2,672,761
Emergency measures	69,728	69,090
Other:	96,100	74,647
	8,365,833	7,411,837
Transportation services:		
Road transport		
Administration and engineering	289,027	298,501
Road and street maintenance	3,821,481	3,846,683
Sidewalk and boulevard maintenance	100,246	68,705
Street lighting	292,491	268,283
Public transit	132,316	114,276
	4,635,561	4,596,448
Environmental health services:		
Waste collection and disposal	1,498,407	1,338,192
Recycling	500,088	488,126
	1,998,495	1,826,318
Public health and welfare services:		
Public health	183,298	220,148
Social assistance	70,721	70,721
	254,019	290,869
Regional planning and development		
Planning and zoning	479,691	489,303
Urban area weed control	231,300	201,673
Other:	179,168	194,592
	890,159	885,568
Resource conservation and industrial development		
Regional development	393,733	351,867
Industrial development	14,564	13,219
Tourism	1,765	1,133
Other:	20,000	23,942
	430,062	390,161
Sub-totals forward	20,216,517	19,145,190

City of Portage la Prairie **SCHEDULE 3**

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2025

	2025 Actual	2024 Actual
Sub-totals forward	**20,216,517**	19,145,190
Recreation and cultural services:		
Administration	**3,895,331**	4,023,121
Community centers and halls	**77,251**	75,000
Skating and curling rinks	**6,582**	6,128
Parks and playgrounds	**580,274**	512,833
Other recreational facilities	**1,922,527**	1,902,040
Libraries	**352,349**	343,482
Other cultural facilities	**100,371**	60,290
	6,934,685	6,922,894
Water and sewer services		
Municipal utility(ies) (Schedule 9)	**13,881,158**	11,769,807
	13,881,158	11,769,807
Total expenses	**$ 41,032,360**	$ 37,837,891

City of Portage la Prairie **SCHEDULE 4**

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2025

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
REVENUE										
Property taxes	**$ 12,516,484**	$ 13,076,745	**$ -**	$ -	**$ -**	$ -	**$ -**	$ -	**$ -**	$ -
Grants in lieu of taxation	**1,827,025**	880,061	**-**	-	**-**	-	**-**	-	**-**	-
User fees	**142,688**	141,411	**932,848**	759,486	**97,167**	68,261	**1,992,237**	1,752,056	**56,145**	61,265
Grants - other	**5,800**	-	**-**	-	**867,764**	791,079	**-**	-	**-**	-
Permits, licences and fines	**188,689**	340,990	**244,964**	211,565	**-**	-	**-**	-	**-**	-
Investment income	**1,676,585**	2,532,669	**-**	-	**92**	81	**17,776**	7,986	**-**	-
Other revenue	**841,718**	2,217,078	**-**	-	**17,456**	2,022	**-**	-	**-**	-
Water and sewer	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Prov of MB - Unconditional Grants	**1,883,381**	1,736,352	**-**	-	**-**	-	**-**	-	**-**	-
Prov of MB - Conditional Grants	**3,971,706**	4,627,116	**-**	-	**42,626**	37,146	**-**	-	**-**	-
Total revenue	**$ 23,054,076**	$ 25,552,422	**$ 1,177,812**	$ 971,051	**$ 1,025,105**	$ 898,589	**$ 2,010,013**	$ 1,760,042	**$ 56,145**	$ 61,265
EXPENSES										
Personnel services	**$ 2,006,650**	$ 1,850,203	**$ 3,341,834**	$ 2,761,040	**$ 917,508**	$ 961,887	**$ 423,343**	$ 351,900	**$ 88,230**	$ 85,413
Contract services	**437,346**	418,575	**4,278,805**	3,884,307	**(29,049)**	61,866	**1,004,587**	959,532	**89,730**	99,775
Utilities	**52,168**	53,140	**64,258**	66,820	**329,034**	311,909	**-**	-	**7,894**	6,453
Maintenance materials and supplies	**403,602**	637,139	**210,255**	511,356	**743,450**	667,964	**155,206**	145,887	**63,620**	94,758
Grants and contributions	**255,174**	323,443	**3,968**	4,041	**(36,500)**	(36,500)	**99,755**	50,691	**4,545**	4,470
Amortization	**116,595**	93,028	**460,288**	183,916	**2,681,402**	2,604,901	**278,584**	296,899	**-**	-
Interest on long term debt	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Other	**370,853**	368,461	**6,425**	357	**29,716**	24,421	**37,020**	21,409	**-**	-
Total expenses	**$ 3,642,388**	$ 3,743,989	**$ 8,365,833**	$ 7,411,837	**$ 4,635,561**	$ 4,596,448	**$ 1,998,495**	$ 1,826,318	**$ 254,019**	$ 290,869
Surplus (Deficit)	**$ 19,411,688**	$ 21,808,433	**$ (7,188,021)**	$ (6,440,786)	**$ (3,610,456)**	$ (3,697,859)	**$ 11,518**	$ (66,276)	**$ (197,874)**	$ (229,604)

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

City of Portage la Prairie **SCHEDULE 4**

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2025

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
REVENUE										
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,516,484	$ 13,076,745
Grants in lieu of taxation	-	-	-	-	-	-	-	-	1,827,025	880,061
User fees	244,920	1,871,577	634	1,036	1,679,677	1,581,915	-	-	5,146,316	6,237,007
Grants - other	-	-	77,022	74,778	516,150	541,959	-	-	1,466,736	1,407,816
Permits, licences and fines	-	-	-	-	-	-	-	-	433,653	552,555
Investment income	98,832	146,115	-	-	41,733	59,258	-	-	1,835,018	2,746,109
Other revenue	-	-	61,730	49,848	66,277	91,791	-	-	987,181	2,360,739
Water and sewer	-	-	-	-	-	-	19,142,576	21,059,913	19,142,576	21,059,913
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	1,883,381	1,736,352
Prov of MB - Conditional Grants	-	-	-	-	166,769	167,965	-	-	4,181,101	4,832,227
Total revenue	$ 343,752	$ 2,017,692	$ 139,386	$ 125,662	$ 2,470,606	$ 2,442,888	$ 19,142,576	$ 21,059,913	$ 49,419,471	$ 54,889,524
EXPENSES										
Personnel services	$ 446,804	$ 480,190	$ 160,926	$ 159,989	$ 2,385,700	$ 2,371,929	$ 2,892,209	$ 2,735,253	$ 12,663,204	$ 11,757,804
Contract services	261,714	273,970	63,722	67,370	962,076	864,894	2,700,362	2,287,314	9,769,293	8,917,603
Utilities	8,373	7,026	1,355	994	481,402	482,876	1,587,452	1,962,009	2,531,936	2,891,227
Maintenance materials and supplies	108,747	79,743	2,027	3,044	127,845	150,782	3,872,029	2,402,352	5,686,781	4,693,025
Grants and contributions	100,005	100,005	176,418	120,841	857,822	853,427	-	-	1,461,187	1,420,418
Amortization	22,772	22,474	2,069	12,796	1,487,475	1,448,482	2,517,919	2,306,321	7,567,104	6,968,817
Interest on long term debt	-	-	-	-	522,532	623,037	69,029	73,669	591,561	696,706
Other	(58,256)	(77,840)	23,545	25,127	109,833	127,467	242,158	2,889	761,294	492,291
Total expenses	$ 890,159	$ 885,568	$ 430,062	$ 390,161	$ 6,934,685	$ 6,922,894	$ 13,881,158	$ 11,769,807	$ 41,032,360	$ 37,837,891
Surplus (Deficit)	$ (546,407)	$ 1,132,124	$ (290,676)	$ (264,499)	$ (4,464,079)	$ (4,480,006)	$ 5,261,418	$ 9,290,106	$ 8,387,111	$ 17,051,633

City of Portage la Prairie **SCHEDULE 5**

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2025

	Core Government		Controlled Entities		Government Partnerships		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
REVENUE								
Property taxes	**$ 12,516,485**	$ 13,076,745	**$ -**	$ -	**$ -**	$ -	**$ 12,516,485**	$ 13,076,745
Grants in lieu of taxation	**1,827,025**	880,061	**-**	-	**-**	-	**1,827,025**	880,061
User fees	**2,429,658**	2,230,877	**85,857**	59,140	**2,630,800**	3,946,990	**5,146,315**	6,237,007
Grants - other	**828,564**	786,079	**45,000**	5,000	**593,172**	616,737	**1,466,736**	1,407,816
Permits, licences and fines	**433,653**	552,555	**-**	-	**-**	-	**433,653**	552,555
Investment income	**1,676,585**	2,532,669	**92**	81	**158,341**	213,359	**1,835,018**	2,746,109
Other revenue	**841,718**	2,217,078	**17,456**	2,022	**128,007**	141,639	**987,181**	2,360,739
Water and sewer	**19,142,576**	21,059,913	**-**	-	**-**	-	**19,142,576**	21,059,913
Prov of MB - Unconditional Grants	**1,883,381**	1,736,352	**-**	-	**-**	-	**1,883,381**	1,736,352
Prov of MB - Conditional Grants	**3,971,706**	4,642,024	**42,626**	37,146	**166,769**	153,057	**4,181,101**	4,832,227
Total revenue	**$ 45,551,351**	$ 49,714,353	**$ 191,031**	$ 103,389	**$ 3,677,089**	$ 5,071,782	**$ 49,419,471**	$ 54,889,524
EXPENSES								
Personnel services	**$ 9,738,733**	$ 8,891,438	**$ 72,913**	$ 66,731	**$ 2,851,559**	$ 2,799,635	**$ 12,663,205**	$ 11,757,804
Contract services	**8,871,815**	8,092,471	**3,427**	3,264	**894,050**	821,868	**9,769,292**	8,917,603
Utilities	**2,084,540**	2,457,578	**1,896**	1,872	**445,500**	431,777	**2,531,936**	2,891,227
Maintenance materials and supplies	**5,615,395**	4,497,523	**41,115**	34,739	**30,268**	160,763	**5,686,778**	4,693,025
Grants and contributions	**2,790,188**	2,706,399	**(36,500)**	(36,500)	**(1,292,497)**	(1,249,481)	**1,461,191**	1,420,418
Amortization	**7,146,127**	6,466,568	**19,750**	19,749	**401,227**	482,500	**7,567,104**	6,968,817
Interest on long term debt	**591,561**	694,970	**-**	-	**-**	1,736	**591,561**	696,706
Other	**548,584**	298,593	**29,716**	24,421	**182,993**	169,277	**761,293**	492,291
Total expenses	**$ 37,386,943**	$ 34,105,540	**$ 132,317**	$ 114,276	**$ 3,513,100**	$ 3,618,075	**$ 41,032,360**	$ 37,837,891
Surplus (Deficit)	**$ 8,164,408**	$ 15,608,813	**$ 58,714**	$ (10,887)	**$ 163,989**	$ 1,453,707	**$ 8,387,111**	$ 17,051,633

City of Portage la Prairie **SCHEDULE 6**

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2025

	General Reserve	Infrastructure Reserve	Equipment Replacement Reserve	Cemetary Reserve	Policing Reserve	Fire Truck Reserve	Accessibility Reserve	Land Development Reserve	Environmental reserve	Computer Reserve	Crescent Lake Reserve
REVENUE											
Investment income	$ 124,710	$ 20,121	$ 4,813	$ 29	$ 9,771	$ 7,530	$ 637	$ 20,541	$ 7,003	$ 1,735	$ 418
Other income	-	-	-	-	-	-	-	-	-	-	-
Total revenue	124,710	20,121	4,813	29	9,771	7,530	637	20,541	7,003	1,735	418
EXPENSES											
Investment charges	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	733,938	-	-	1,650	-	-	-
Total expenses	-	-	-	-	733,938	-	-	1,650	-	-	-
NET REVENUES	124,710	20,121	4,813	29	(724,167)	7,530	637	18,891	7,003	1,735	418
TRANSFERS											
Debt payments	-	-	-	-	-	-	-	-	-	-	-
Transfers from general operating fund	353,947	767,366	405,000	-	-	735,000	50,000	31,000	43,100	36,000	1,916
Transfers to general operating fund	(500,000)	(232,085)	-	-	-	-	-	-	-	-	-
Transfer from nominal surplus	1,621,596	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-	-
Transfers from reserve fund	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserve fund	-	-	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	(1,530,463)	(391,113)	(366,281)	-	(83,311)	(319,169)	-	(271,298)	(410,000)	(5,381)	-
CHANGE IN RESERVE FUND BALANCES	69,790	164,289	43,532	29	(807,478)	423,361	50,637	(221,407)	(359,897)	32,354	2,334
FUND SURPLUS, BEGINNING OF YEAR	9,704,299	1,345,434	317,693	2,205	1,422,154	420,100	19,935	1,584,189	647,518	117,721	32,469
FUND SURPLUS, END OF YEAR	$ 9,774,089	$ 1,509,723	$ 361,225	$ 2,234	$ 614,676	$ 843,461	$ 70,572	$ 1,362,782	$ 287,621	$ 150,075	$ 34,803

City of Portage la Prairie
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2025

SCHEDULE 6

	Handivan Reserve	Special Administration Reserve	Capital Levy Reserve	Recreation Dedication Fees Reserve	Sidewalk Reserve	Softball Reserve	CCBF Reserve	Accomm. Tax Marketing Reserve	Accomm. Tax Sask Ave Reserve	Sask Ave MB ICIP Reserve	Sask Ave Phase 2 Reserve
REVENUE											
Investment income	$ 9	$ 1,332	$ 530	$ 317	$ 1,013	$ 525	$ 117,914	$ -	$ -	$ 31,585	$ 10,843
Other income	-	-	-	-	-	-	-	-	-	-	-
Total revenue	9	1,332	530	317	1,013	525	117,914	-	-	31,585	10,843
EXPENSES											
Investment charges	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	60,000	-	-	-
Total expenses	-	-	-	-	-	-	-	60,000	-	-	-
NET REVENUES	9	1,332	530	317	1,013	525	117,914	(60,000)	-	31,585	10,843
TRANSFERS											
Debt payments	-	-	-	-	-	-	-	-	-	-	-
Transfers from general operating fund	-	-	-	-	50,000	-	780,138	87,999	87,999	-	-
Transfers to general operating fund	-	-	-	-	-	-	-	-	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	(928,722)	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-	-
Transfers from reserve fund	-	-	-	-	-	-	-	-	-	-	(6,583,765)
Transfers to reserve fund	-	-	-	-	-	-	-	-	-	-	6,805,029
Acquisition of tangible capital assets	-	-	-	-	-	-	(649,632)	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	9	1,332	530	317	51,013	525	248,420	27,999	87,999	(897,137)	232,107
FUND SURPLUS, BEGINNING OF YEAR	669	102,921	40,993	24,502	50,671	1,554	2,239,447	59,325	260,430	897,573	(232,085)
FUND SURPLUS, END OF YEAR	$ 678	$ 104,253	$ 41,523	$ 24,819	$ 101,684	$ 2,079	$ 2,487,867	$ 87,324	$ 348,429	$ 436	$ 22

City of Portage la Prairie **SCHEDULE 6**

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2025

	City Building Reserve	Utility Infrastucture Reserve	Utility Nutrient Removal Reserve	WTP Reserve	Utility Reserve	IP Capital Reserve	WPCF Upgrade MB Reserve	Sask Ave MB ICIP Reserve	2025 Total	2024 Total
REVENUE										
Investment income	$ -	$ 47,387	$ 379,171	$ 2,074	$ 261,822	$ 36,194	$ -	$ 3,832	**$ 1,091,856**	$ 1,973,221
Other income	-	-	-	-	-	-	-	-	**-**	-
Total revenue	-	47,387	379,171	2,074	261,822	36,194	-	3,832	**1,091,856**	1,973,221
EXPENSES										
Investment charges	-	-	-	-	-	-	-	-	**-**	-
Other expenses	-	-	-	-	1,239,181	-	-	-	**2,034,769**	827,254
Total expenses	-	-	-	-	1,239,181	-	-	-	**2,034,769**	827,254
NET REVENUES	-	47,387	379,171	2,074	(977,359)	36,194	-	3,832	**(942,913)**	1,145,967
TRANSFERS										
Debt payments	-	-	-	-	-	-	-	-	**-**	-
Transfers from general operating fund	70,420	-	-	-	-	-	-	-	**3,499,885**	2,626,218
Transfers to general operating fund	-	-	-	-	-	-	-	-	**(732,085)**	(8,702,595)
Transfer from nominal surplus	-	-	-	-	2,055,429	-	-	-	**2,748,303**	4,373,665
Transfers from utility operating fund	-	-	750,000	-	2,346,877	270,738	-	-	**3,367,615**	984,284
Transfers to utility operating fund	-	-	-	-	-	-	-	-	**-**	(17,964)
Transfers from reserve fund	-	-	-	-	-	-	-	-	**(6,583,765)**	10,000
Transfers to reserve fund	-	-	-	-	-	-	-	60,845	**6,865,874**	1,869
Acquisition of tangible capital assets	-	(753,791)	(272,855)	-	(1,301,326)	-	-	-	**(6,354,620)**	(3,753,653)
CHANGE IN RESERVE FUND BALANCES	70,420	(706,404)	856,316	2,074	2,123,621	306,932	-	64,677	**1,868,293**	(3,332,209)
FUND SURPLUS, BEGINNING OF YEAR	182,540	1,827,451	13,396,358	74,663	9,056,456	1,329,239	-	39,503	**44,965,927**	48,298,136
FUND SURPLUS, END OF YEAR	$ 252,960	$ 1,121,047	$ 14,252,674	$ 76,737	$ 11,180,077	$ 1,636,171	$ -	$ 104,180	**$ 46,834,220**	$ 44,965,927

City of Portage la Prairie

SCHEDULE 8

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
As at December 31, 2025

	2025	2024
	Total	Total
FINANCIAL ASSETS		
Amounts receivable	**2,627,280**	$ 2,940,568
Due from other funds	**95,980,250**	93,892,627
	$ 98,607,530	96,833,195
LIABILITIES		
Accounts payable and accrued liabilities	**$ 232,240**	177,688
Unearned revenue	**55,324,436**	53,651,833
Long-term debt (Note 9)	**2,209,292**	2,393,301
Asset retirement obligations (Note 8)	**59,025**	58,314
	57,824,993	56,281,136
NET FINANCIAL ASSETS (NET DEBT)	**$ 40,782,537**	40,552,059
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	**$ 74,335,341**	72,479,608
Inventories	**431,444**	360,715
Prepaid expenses	**16,251**	6,845
	74,783,036	72,847,168
FUND SURPLUS (DEFICIT)	**$ 115,565,573**	$ 113,399,227

COMMITMENTS AND CONTINGENCIES (Note 12)

City of Portage la Prairie **SCHEDULE 9**

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2025

	Budget	2025	2024
REVENUE			
Water			
Water fees		**$ 17,008,966**	$ 15,440,470
Bulk Water fees	-	**13,438**	13,914
sub-total- water	-	**17,022,404**	15,454,384
Sewer			
Sewer fees		**11,866**	13,005
sub-total- sewer	-	**11,866**	13,005
Government transfers			
Operating		**1,370,674**	5,106,461
sub-total- government transfers	-	**1,370,674**	5,106,461
Other			
Hydrant rentals		**62,882**	59,195
Connection charges		**345,599**	102,563
Penalties		**17,124**	14,489
Investment income		**304,037**	301,241
Other income (specify)		**7,990**	8,575
sub-total- other	-	**737,632**	486,063
Total revenue		**$ 19,142,576**	$ 21,059,913

City of Portage la Prairie **SCHEDULE 9**
SCHEDULE OF UTILITY OPERATIONS (cont'd)
For the Year Ended December 31, 2025

	Budget	2025	2024
EXPENSES			
General			
Administration		$ 1,832,016	$ 1,682,237
Utilities (telephone, electricity, etc.)	-	81,992	49,590
Loss on disposal of assets	-	236,804	-
sub-total- general	-	2,150,812	1,731,827
Water General			
Purification and treatment		4,314,541	4,064,782
Transmission and distribution		1,807,222	1,402,747
Other (specify)	-	122,706	475,589
sub-total- water general	-	6,244,469	5,943,118
Water Amort., Accretion & Interest			
Amortization	-	2,011,362	2,023,361
sub-total- water amortization & interest	-	2,011,362	2,023,361
Sewer General			
Collection system costs		852,638	823,384
Treatment and disposal cost		1,665,280	522,851
Lift Station costs		381,011	368,638
sub-total- sewer general	-	2,898,929	1,714,873
Sewage Amort., Accretion & Interest			
Amortization	-	506,557	282,958
Interest on long term debt	-	69,029	73,669
sub-total- sewer amortization & interest	-	575,586	356,627
Total expenses		13,881,158	11,769,806
NET OPERATING SURPLUS	-	5,261,418	9,290,107
TRANSFERS			
Transfers from (to) operating fund			-
Transfers from (to) reserve funds		(3,095,072)	(966,320)
CHANGE IN UTILITY FUND BALANCE	$ -	2,166,346	8,323,787
FUND SURPLUS, BEGINNING OF YEAR		113,399,227	105,075,440
FUND SURPLUS, END OF YEAR		$ 115,565,573	$ 113,399,227

City of Portage la Prairie

SCHEDULE 10

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the Year Ended December 31, 2025

	Financial Plan General	Financial Plan Utility(ies)	Amortization & Accretion	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	$ 12,435,582	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,435,582
Grants in lieu of taxation	1,827,025	-	-	-	-	-	-	1,827,025
User fees	2,500,768	-	-	-	-	-	2,716,657	5,217,425
Permits, licences and fines	339,400	-	-	-	-	-	638,172	977,572
Investment income	260,000	-	-	-	-	-	-	260,000
Other revenue	469,088	-	-	-	-	-	158,433	627,521
Water and sewer	-	59,547,502	-	-	-	-	145,463	59,692,965
Grants - Province of Manitoba	1,816,510	-	-	-	-	-	-	1,816,510
Grants - other	4,980,307	-	-	-	-	-	209,395	5,189,702
Transfers from accumulated surplus	2,121,596	2,055,429	-	-	(4,177,025)	-	0	-
Transfers from reserves	-	-	-	-	-	-	-	-
Total revenue	**$ 26,750,276**	**$ 61,602,931**	**$ -**	**$ -**	**$ (4,177,025)**	**$ -**	**$ 3,868,120**	**$ 88,044,302**
EXPENSES								
General government services	3,138,931	-	$ 116,595	$ -	$ -	$ -	$ -	$ 3,255,526
Protective services	7,833,578	-	460,288	-	-	-	-	8,293,866
Transportation services	3,125,612	-	2,681,402	-	-	-	112,567	5,919,581
Environmental health services	1,294,897	-	278,584	-	-	-	367,216	1,940,697
Public health and welfare services	353,205	-	-	-	-	-	-	353,205
Regional planning and development	406,279	-	22,772	-	-	-	531,200	960,251
Resource cons and industrial dev	301,298	-	2,069	-	-	-	122,103	425,470
Recreation and cultural services	2,771,563	-	1,487,475	-	-	-	1,830,302	6,089,340
Water and sewer services	-	11,137,042	2,517,919	-	-	-	-	13,654,961
Fiscal services:								
Transfer to capital	3,850,346	45,340,352	-	-	(49,190,698)	-	-	-
Debt charges	1,519,228	-	-	(1,519,228)	-	-	-	-
Short term interest	232,000	-	-	-	(232,000)	-	-	-
Transfer to reserves	1,860,596	5,125,537	-	-	(6,986,133)	-	-	-
Allowance for tax assets	62,743	-	-	-	(62,743)	-	-	-
Total expenses	**$ 26,750,276**	**$ 61,602,931**	**$ 7,567,104**	**$ (1,519,228)**	**$ (56,471,574)**	**$ -**	**$ 2,963,388**	**$ 40,892,897**
Surplus (Deficit)	**$ (0)**	**$ -**	**$ (7,567,104)**	**$ 1,519,228**	**$ 52,294,549**	**$ -**	**$ 904,732**	**$ 47,151,405**

City of Portage la Prairie
ANALYSIS OF TAXES ON ROLL
December 31, 2025

SCHEDULE 11

	2025	2024
Balance, beginning of year	**$ 869,251**	$ 1,244,655
Add:		
Tax levy (Schedule 12)	**22,888,039**	21,396,476
Taxes added	**86,495**	248,080
Penalties or interest	**163,449**	168,167
Other accounts added	**-**	-
Tax Adjustments (specify)	**-**	-
Sub-total	**23,137,983**	21,812,723
Deduct:		
Cash collections - current	**16,532,708**	19,102,622
Cash collections - arrears	**2,239,661**	1,908,045
Writeoffs	**-**	-
Tax discounts	**5,592**	4,575
E.P.T.C. - cash advance	**4,046,016**	1,172,885
Other credits (specify)	**-**	-
Sub-total	**22,823,977**	22,188,127
Balance, end of year	**$ 1,183,257**	$ 869,251

City of Portage la Prairie **SCHEDULE 12**
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2025

	2025			2024
	Assessment	**Mill Rate**	**Levy**	Levy
Other governments (L.U.D.):				
Debt - PCU Centre	$ 670,275,890	$ 0.523	**$ 350,554**	$ 1,426,663
Debt - NE Transportation Route	$ 670,275,890	$ 1.592	**1,067,079**	1,069,691
sub-total - L.U.D.			**1,417,633**	2,496,354
Debt charges:				
Frontage			**-**	-
LI.D.			**-**	-
Other (specify)			**-**	-
sub-total - Debt charges			**-**	-
Deferred surplus			**-**	-
Reserves:				
Reserve - Environment	$ 670,275,890	$ 0.058	**38,876**	-
Reserve - Glesby Centre	$ 670,275,890	$ 0.021	**14,076**	18,949
Reserve - Handicap Access	$ 670,275,890	$ 0.070	**46,919**	93,522
Reserve - Fire	$ 670,275,890	$ 0.536	**359,268**	243,278
Reserve - Sidewalk	$ 670,275,890	$ 0.070	**46,919**	47,066
Reserve - Computer	$ 670,275,890	$ 0.026	**17,427**	-
Reserve - General	$ 670,275,890	$ 0.333	**223,202**	223,718
Reserve - Equipment Replacement	$ 670,275,890	$ 0.564	**378,036**	196,823
Reserve - Infrastructure	$ 670,275,890	$ 0.314	**210,467**	-
sub-total - Reserves			**1,335,190**	823,357
General municipal	$ 670,275,890	$ 15.531	**10,410,055**	9,363,773
Special levies:				
Assessment Levy	$ 670,275,890	$ 0.23	**154,163**	149,757
Business tax (rate%)	$ -	$ -	**-**	-
Total municipal taxes (Schedule 2)			**13,317,041**	12,833,241
Education support levy	$ 163,610,040	$ 7.117	**1,164,413**	1,198,214
Special levies:				
Portage la Prairie School Division	$ 648,556,190	$ 12.962	**8,406,585**	7,365,021
sub-total - Special levies			**8,406,585**	7,365,021
Total education taxes			**9,570,998**	8,563,235
Total tax levy (Schedule 11)			**$ 22,888,039**	$ 21,396,476

City of Portage la Prairie **SCHEDULE 13**

SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2025

	2025 Actual	2024 Actual
General government services:		
Legislative	**$ 404,398**	$ 376,627
General administrative	**2,926,409**	2,975,743
Other	**317,174**	399,904
	3,647,981	3,752,274
Protective services:		
Police	**4,925,423**	4,595,339
Fire	**3,274,582**	2,672,761
Emergency measures	**69,728**	69,089
Other	**96,100**	74,646
	8,365,833	7,411,835
Transportation services:		
Road transport		
Administration and engineering	**289,027**	298,501
Road and street maintenance	**3,821,481**	3,846,683
Sidewalk and boulevard maintenance	**100,247**	68,705
Street lighting	**292,491**	268,283
	4,503,246	4,482,172
Environmental health services:		
Waste collection and disposal	**935,144**	827,085
Recycling	**500,089**	488,127
	1,435,233	1,315,212
Public health and welfare services:		
Public health	**178,753**	201,731
Social assistance	**70,721**	70,721
Other	**4,545**	4,470
	254,019	276,922
Regional planning and development		
Planning and zoning	**(70,293)**	(69,640)
Urban area weed control	**231,300**	201,673
Other	**179,168**	194,593
	340,175	326,626
Resource conservation and industrial development		
Regional development	**269,561**	263,305
Industrial development	**14,564**	13,219
Tourism	**1,766**	1,133
Other	**20,000**	23,942
	305,891	301,599
Sub-totals forward	**18,852,378**	17,866,640

City of Portage la Prairie

SCHEDULE 13

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2025

	2025 Actual	2024 Actual
Sub-totals forward	**18,852,378**	17,866,640
Recreation and cultural services:		
Administration	**1,619,650**	1,563,660
Community centers and halls	**77,250**	75,000
Skating and curling rinks	**6,582**	6,128
Parks and playgrounds	**580,274**	512,833
Other recreational facilities	**1,922,528**	1,902,040
Libraries	**352,349**	343,482
Other cultural facilities	**96,784**	60,289
	4,655,417	4,463,432
Total expenses	**$ 23,507,795**	$ 22,330,072

City of Portage la Prairie **SCHEDULE 14**
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) **(Unaudited)**
December 31, 2025

	2025			2024
	General	**Utility**	**Total**	Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	$ 1,001,465	$ 3,333,069	**$ 4,334,534**	$ 4,931,247
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	5,326,599	5,509,242	**10,835,841**	1,588,807
Eliminate revenue - transfers from reserves	(6,513,042)	(5,622,582)	**(12,135,624)**	(9,231,023)
Increase revenue - reserve funds interest	1,108,714	-	**1,108,714**	1,973,221
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	222,705	-	**222,705**	1,442,820
Eliminate revenue - grant claims	439,623	155,201	**594,824**	4,342,049
Eliminate revenue - transfer from nominal surplus(es)	-	-	**-**	-
Increase revenue (increase expense) - gain (loss) on sale of tangible capital assets	(47,884)	(236,804)	**(284,688)**	(5,648)
Increase expense - proceeds on sale of tangible capital assets	-	-	**-**	-
Increase expense - amortization of tangible capital assets	(4,628,208)	(2,517,919)	**(7,146,127)**	(6,483,596)
Increase expense - accreation expense of asset retirement obligation	(5,912)	(2,270)	**(8,182)**	(7,944)
Decrease expense - principal portion of debenture debt	1,020,021	184,009	**1,204,030**	2,288,730
Increase expense - debt issuance	-	-	**-**	-
Eliminate expense - acquisitions of tangible capital assets	5,201,612	4,459,472	**9,661,084**	16,212,970
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	$ 3,125,693	$ 5,261,418	**$ 8,387,111**	$ 17,051,633