REPORT OF THE

STANDING COMMITTEE ON FISCAL ISSUES

DATED JULY 3, 2001

On motion of Councillor Clement, the Report of the Standing Committee on Fiscal Issues, dated July 3, 2001, was considered.

Moved by Councillor Clement,

That the Consent Agenda, Clause 1, be adopted.

Carried.

Recommendations for Entertainment Funding By-law Exemptions – July, 2001
File FL-6 (Vol. 24)

728 - 1. The Standing Committee on Fiscal Issues has been advised that in accordance with due process, the Corporate Finance Department has conducted a consistent and thorough review of all applications received for exemption from The Entertainment Funding By-law in accordance with the criteria set forth in the By-law and Schedule "B" thereto.

The financial impact of approving these applications for exemption from the entertainment funding tax is unknown. The tax revenue that could be generated from events hosted by these organizations cannot be quantified as the events have not yet occurred.

Pursuant to its review, the Standing Committee on Fiscal Issues concurred in the administrative recommendation and recommends:

I. That the following amusements and/or places of amusement, which meet the criteria set forth in Schedule "B" of The Entertainment Funding By-law No. 7710/2000, be listed in Schedule "A" thereto, namely:

1. Royal Winnipeg Ballet School
2. Winnipeg Youth Chorus
3. The Winnipeg Jazz Orchestra
4. Winnipeg Jewish Theatre
5. Mennonite Central Committee Manitoba Inc.
6. Winnipeg International Children's Festival
7. Pan Am Boxing and Athletic Club

II. That the City Solicitor/Manager of Legal Services be directed to prepare the necessary amending by-law in accordance with the foregoing for submission directly to Council for approval.

III. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.

Adopted by consent.

STANDING COMMITTEE ON FISCAL ISSUES

CONSIDERATION OF BY-LAWS

729 - On motion of Councillor Clement, By-law No. 7879/2001, a by-law of The City of Winnipeg to amend the Entertainment Funding By-law No. 7710/2000, was read a first, second and third time, the rule being suspended for the third reading, and was passed and ordered to be signed and sealed. File FL-6 (Vol. 24)

STANDING COMMITTEE ON FISCAL ISSUES

QUESTION PERIOD

730 - Councillor Steek inquired as to the amount of revenue that was expected and built into the 2002 budget for photo radar.

Councillor Clement advised that he did not believe there was an account line where any revenue was stated as photo radar, but rather some fine accounts associated with the police budget, totalling in the vicinity of six to eight million dollars.

Councillor Steek asked if six to eight million dollars was a normal amount and questioned what would constitute six to eight million dollars worth of fines.

Councillor Clement indicated that the dollar number expected in revenue for fines was actually higher, advising that the six to eight million was specifically for photo radar. He reiterated that, to his recollection, there was not a line account in the 2002 budget for photo radar. He further stated that if photo radar does proceed, any revenue generated would go into a fine account.

Councillor Steek questioned that if photo radar were not introduced and no revenues were realized as a result, would there not be a shortfall in revenue of six to eight million in the 2002 budget.

Councillor Clement agreed that while this assumption would be correct as the proposed 2002 budget currently stands, he advised that, inasmuch as the 2002 budget has not been fine tuned yet, it was susceptible to change as is warranted.

On a point of information, His Worship Mayor Murray added that he has additional information relative to photo radar, but that prior to putting it on the public record, it is his desire to have a council seminar behind closed doors to explain the strategy and options for the 2002 budget. He added that there was no need for concern about the possibility of a revenue shortfall in the 2002 budget at this point.