Winnipeg

2006

Operating Budget

Preliminary Operating

Letter from the Mayor and the Chairperson of the Standing Committee on Fiscal Issues

March 1, 2006

To: All Members of Council

Re: Preliminary 2006 Operating Budget

We are pleased to submit the Preliminary 2006 Operating Budget for both tax-supported and utility operations to all Members of Council for their consideration.

The City's operating budget is a critical document which provides the framework for City operations for the upcoming year. The operating budget articulates priorities for the organization and must address the needs and expectations of our citizens.

Winnipeg is a community of opportunity; a city that is dynamic and vibrant. We intend to confidently build on past progress and show leadership in city government. The people of Winnipeg want a city that "works" and it is our job in city government, in partnership with the other levels of government and the broader community, to deliver.

In the document tabled today, Winnipeg continues with its commitment for a competitive tax environment. In this budget, property and business tax revenues are held at 2005 levels, adjusted for new business start-ups and new homes. This budget continues the reduced business tax rate of 7.75% for downtown businesses. Also proposed is a plan to partially offset business tax increases resulting from the 2006 general assessment. In addition, there has been much discussion on the entertainment funding tax and as a result we are committed to a full review of the relevant by-law.

Public safety is a priority for all our citizens. This budget focuses increased spending in strategic areas for safer communities. More police officers to combat crime and a new fully staffed ambulance are important initiatives to enhance the safety of our citizens. Spending for police, fire and paramedic services is the largest tax-supported expenditure category at $262 million, representing 36% of the tax-supported budget.

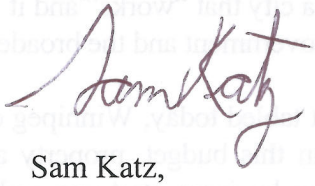
The budget recognizes the importance of infrastructure maintenance including our street system and community facilities. In addition, services such as insect control and outdoor wading pools will now be able to draw on specific reserves to facilitate annual funding requirements depending on weather conditions. Overall, Winnipeg's core services including the operating budget's "cash to capital" contribution of $56 million have been preserved.

The City will continue its efforts to find operational efficiencies and reduce expenditures. In addition to reducing debt charges and contracting out garbage collection, we are reviewing our service delivery approaches and intend to implement further changes to achieve savings. This budget includes cost reduction measures to ensure our operations are built on affordable cost structures.

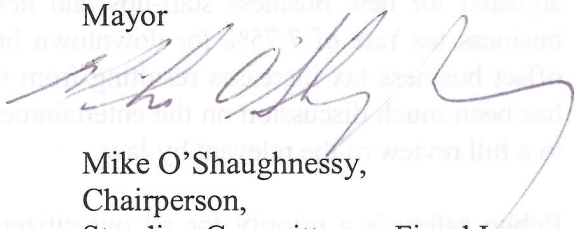
Winnipeg has long advocated appropriate cost sharing with other levels of government to ensure sustainable and predictable revenue streams. The Province of Manitoba has committed to an increased share of casino revenue in 2006, but more needs to be done. As an example, education taxes form a significant portion of the property taxes collected and, therefore, we will be working with the Province for cost sharing of assessment, tax billing and collection services. Similarly, further dialogue on cost sharing for mosquito control programs is anticipated.

The 2006 Preliminary Operating Budget is now being referred to all Members of Council for their review. During the coming weeks, there will be a number of opportunities for all Members of Council, as well as the general public, to obtain more information about the budget. We invite all Members of Council and interested citizens to actively participate in the budget review process and help shape the future of our City.

Respectfully submitted,



Sam Katz,
Mayor



Mike O'Shaughnessy,
Chairperson,
Standing Committee on Fiscal Issues

RECOMMENDATIONS

1. That the 2006 Operating Budget as outlined in the following financial summary be approved and forwarded to all Members of Council for their review.

2. That the City's mill rate be reduced from 29.686 to 25.448 for 2006 to reflect the general assessment. (Note: 2006 property tax revenue will remain at 2005 levels, adjusted for new assessable properties).

3. a) That the City's business tax rates for 2006 remain frozen at the 2005 level of 7.75% for the downtown geographic area, as defined in the Downtown Winnipeg By-law No. 100/2004, and at the 1996 level of 9.75% for areas outside the downtown; and

   b) That Council make a determination that any increase in business tax resulting from the 2006 general assessment in excess of 15% is unreasonable in the circumstances, and that for the year 2006, all increases in business taxes resulting from the 2006 general assessment be limited to 15%, in accordance with section 68 of The Municipal Assessment Act. (Note: This will result in 2006 business tax revenues remaining at 2005 levels).

4. That the emergency medical service fees outlined below be approved effective April 1, 2006:

Proposed Emergency Medical Service Rates (Per Call)		
(in dollars)	**Present Rate**	**April 1, 2006**
Emergency Medical Service		
Basic Rate (not subsidized)	540	550
Regional Rate (provincial subsidized)	405	413
City Rate (city and provincial subsidized)	270	275
Interfacility Transfer Service		
Basic Rate (not subsidized)	390	398
Regional Rate (provincial subsidized)	293	299
City Rate (city and provincial subsidized)	195	199
Treatment No Transport Service - Basic Rate		
Basic Rate (not subsidized)	222	234
Regional Rate (provincial subsidized)	173	176
City Rate (city and provincial subsidized)	115	117
Treatment No Transport Service - Advanced Care		
Basic Rate (not subsidized)	393	418
Regional Rate (provincial subsidized)	308	314
City Rate (city and provincial subsidized)	205	209

5. a) That Council approve the annual extension of the wading pool and outdoor pool season to ensure that regular operating schedules remain in effect until August 31st, subject to the weather meeting pool operating criteria;

   b) That the City amend the existing Recreation Programming Reserve, created by Council on October 6, 1976, to include;

   (i) The establishment of two sub components within the Reserve: [A] Recreation Programming and [B] Wading Pool and Outdoor Pool Operating Extension;

   (ii) That the existing balance from the Recreation Programming Reserve shall be placed in the sub component Recreation Programming and shall remain for use under its existing criteria;

   (iii) The establishment of an operating budget line item in the amount of $490,000 in 2006 for transfer to the Recreation Programming Reserve, Wading Pool and Outdoor Pool Operating Extension sub component;

   (iv) That subject to clause (v) and annual budget approval, annual contributions of this amount ($490,000) with annual inflationary increases, be made to the Recreation Programming Reserve, Wading Pool and Outdoor Pool Operating Extension sub component as required;

   (v) That any unused balance of the Wading Pool and Outdoor Pool Operating Extension sub component at the end of the year shall remain in the Wading Pool and Outdoor Pool Operating sub component thus reducing the transfer of funds in the following year;

   c) That the Director of Community Services, being the Fund Manager of the Reserve, be authorized to draw on the Reserve when the annual extension of the season is warranted.

6. That the transfers to/from utility operations and reserves, as well as the fees and charges outlined in the tax-supported budget submission be approved.

7. That the Chief Administrative Officer be delegated the authority to allocate the following budgeted savings (cost reduction measures of $4,689,566):

   - $2,890,000 - WAPSO, WAPSO Exempt, Senior Management, other management and professional staff salaries and benefits, and other restructuring initiatives as necessary;
   - $452,566 - consulting budgets;
   - $100,000 - conference and travel budgets;
   - $247,000 - extending replacement cycles for computer equipment; and
   - $1,000,000 - alternative service delivery initiatives.

8. That, in accordance with subsection 215(4) of The City of Winnipeg Charter with respect to Special Service Units, authorization be given to the Fleet Management Agency to transfer a portion of the cash and/or accounts under its control to the general revenue fund, and to finance a portion of its operations by borrowing from the City's bank, or from any other persons or corporations, including The City of Winnipeg Sinking Fund Trustees, amounts of up to $5.8 million, and that the Fleet Management Agency report back on any further future financing requirements.

9. That the City Solicitor/Manager of Legal Services be instructed to prepare the necessary by-laws to implement the above recommendations.

10. 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.

2006 Preliminary Operating Budget



March 1, 2006

Winnipeg

STARTING POINT

- Significant budget shortfall at the outset
- City's commitment to a competitive tax environment
- Enhanced service levels for safety desired
- Service levels in other city programs to be maintained
- Infrastructure maintenance and renewal requirements
- Inflationary increases

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HIGHLIGHTS

- Property tax and business tax revenue at 2005 levels adjusted for new business start-ups and new homes
  - Property tax - 9 years of tax freezes and reductions
  - Business tax - reduced rate for downtown businesses continued at 7.75% and a plan to partially offset business tax increases due to the 2006 general assessment
- Funding for public safety increased
- Front line services maintained
- Continuing fiscal restraint

BUDGET SUMMARY

In Millions of $	2005 Budget	2006 Preliminary Budget
REVENUE		
Property Taxes	$ 399.5	$ 404.8
Business Taxes	62.3	62.2
Other	245.2	254.0
TOTAL	**$ 707.0**	**$ 721.0**
EXPENDITURES		
Departmental	$ 640.8	$ 651.9
Corporate	66.2	69.1
TOTAL	**$ 707.0**	**$ 721.0**
SURPLUS / (DEFICIT)	**$ -**	**$ -**
Budget Change from Prior Year		**1.98%**

Tax-Supported

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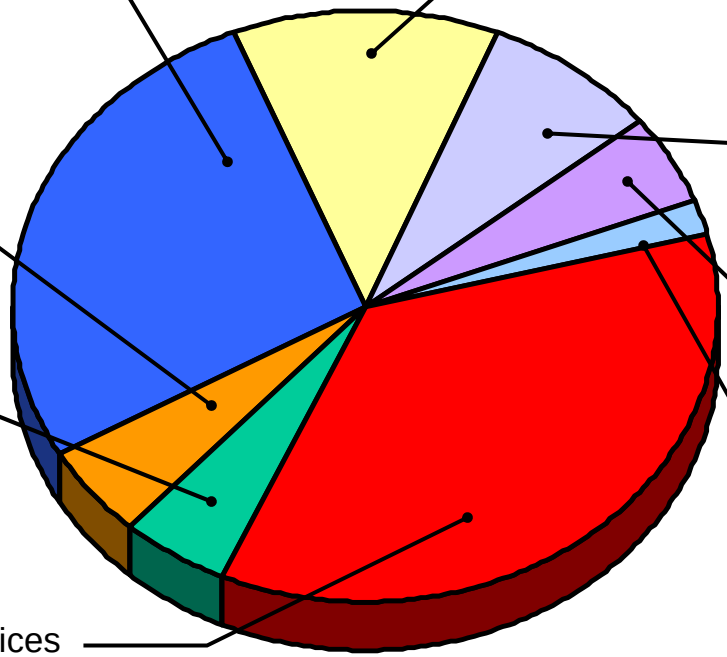
HOW IS THE MONEY SPENT IN THE OPERATING BUDGET?



Street System, Solid Waste collection, Land Drainage and Street Lighting
$195.8 million
27.2%

Transit Subsidy
$37.4 million
5.2%

Property, Development, Planning, Permits and Buildings
$35.4 million
4.9%

Police and Fire Paramedic Services
$262.0 million
36.3%

Community Services (e.g. Libraries, Recreation Services, Food Inspections)
$89.1 million
12.4%

Corporate (e.g. Information Technology, Human Resources, Finance, Assessment, Legal)
$51.9 million
7.2%

Grants, Appeals, and other Corporate Costs
$31.8 million
4.4%

City Clerks, City Council, Mayor's Office, Museums, EPC Secretariat, Audit
$17.6 million
2.4%

2006 Preliminary Operating Budget - $721 million

Tax-Supported

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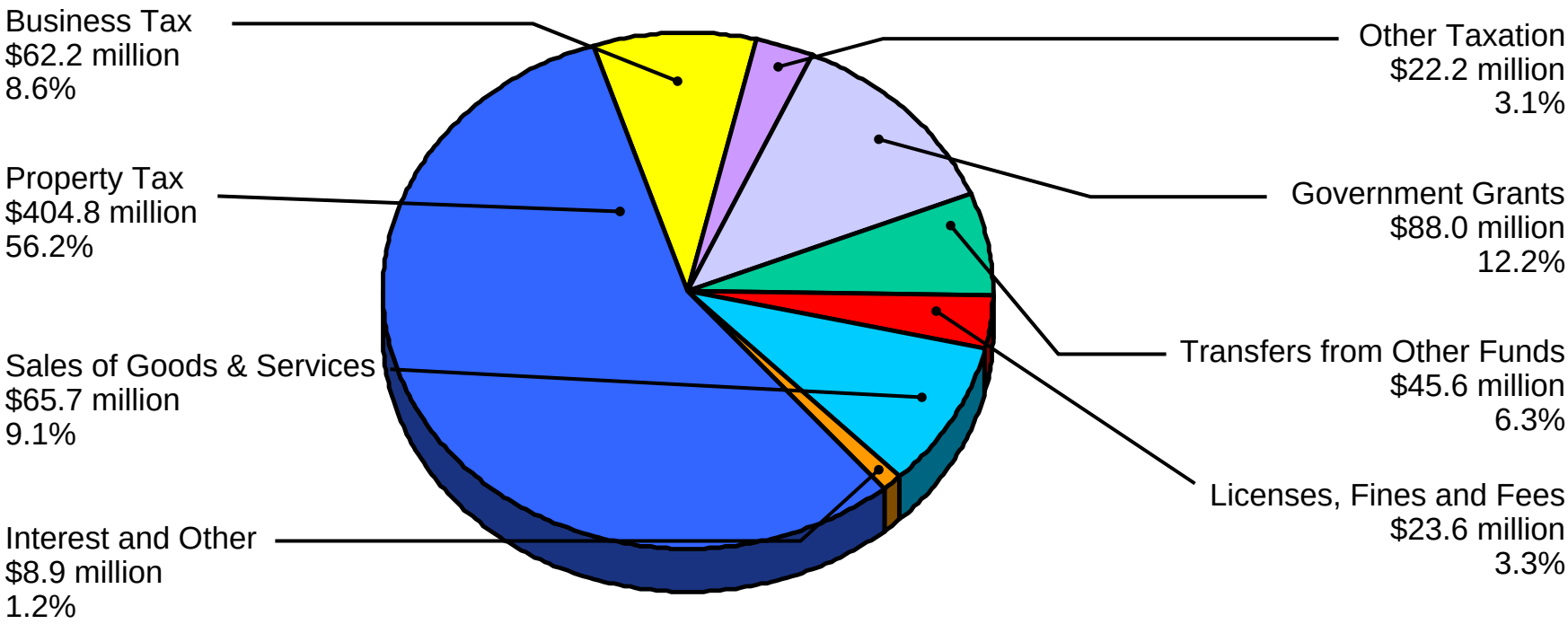
WHERE DOES THE MONEY COME FROM IN THE OPERATING BUDGET?



2006 Preliminary Operating Budget - $721 million

Tax-Supported

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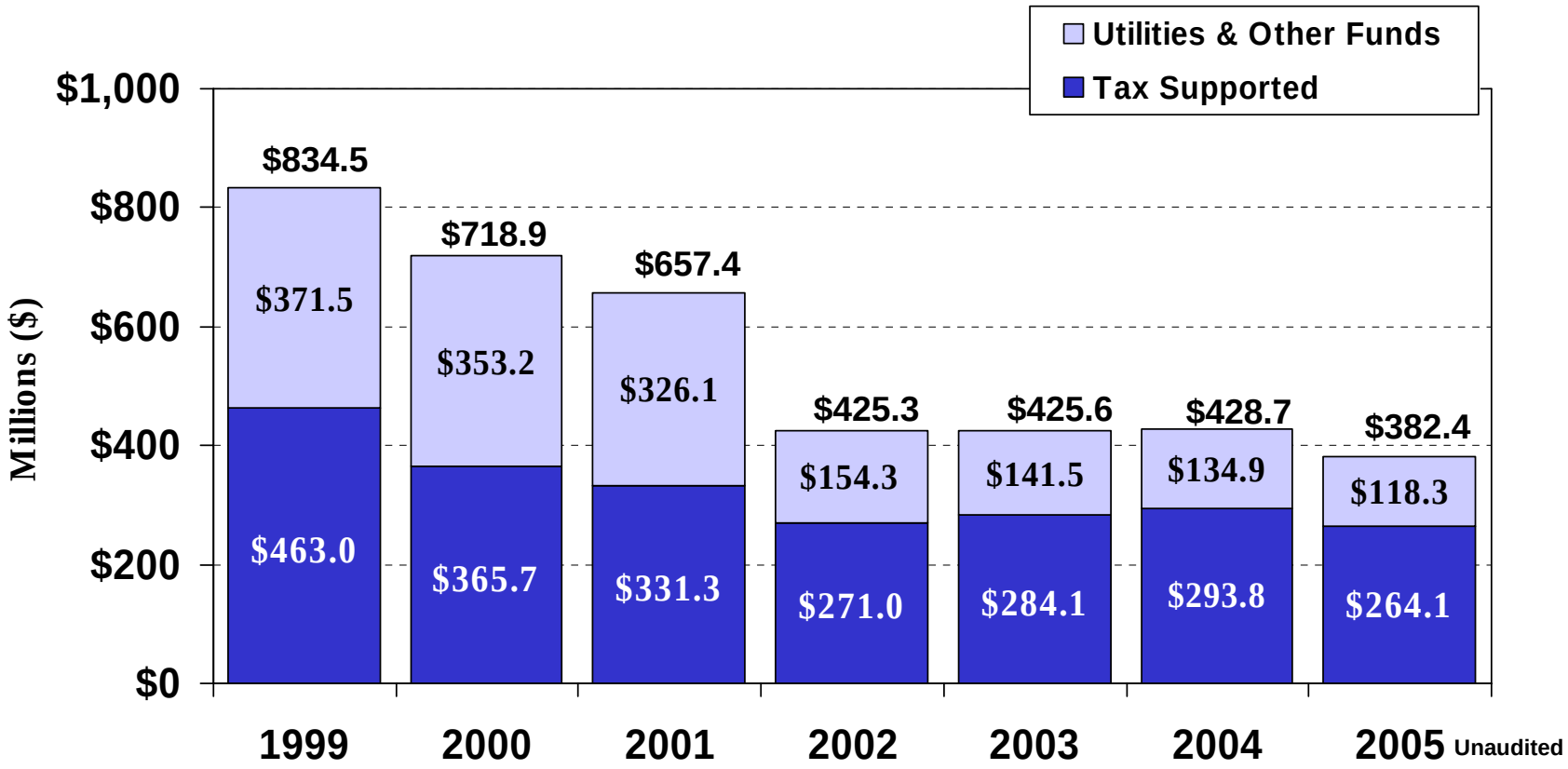
TOTAL NET DEBENTURE DEBT



Notes: Net debenture debt decreased by 54% from 1999 to 2005. Net tax-supported debenture debt decreased by 43% from 1999 to 2005. Civic Accommodations and Transit included in Utilities and Other Funds.

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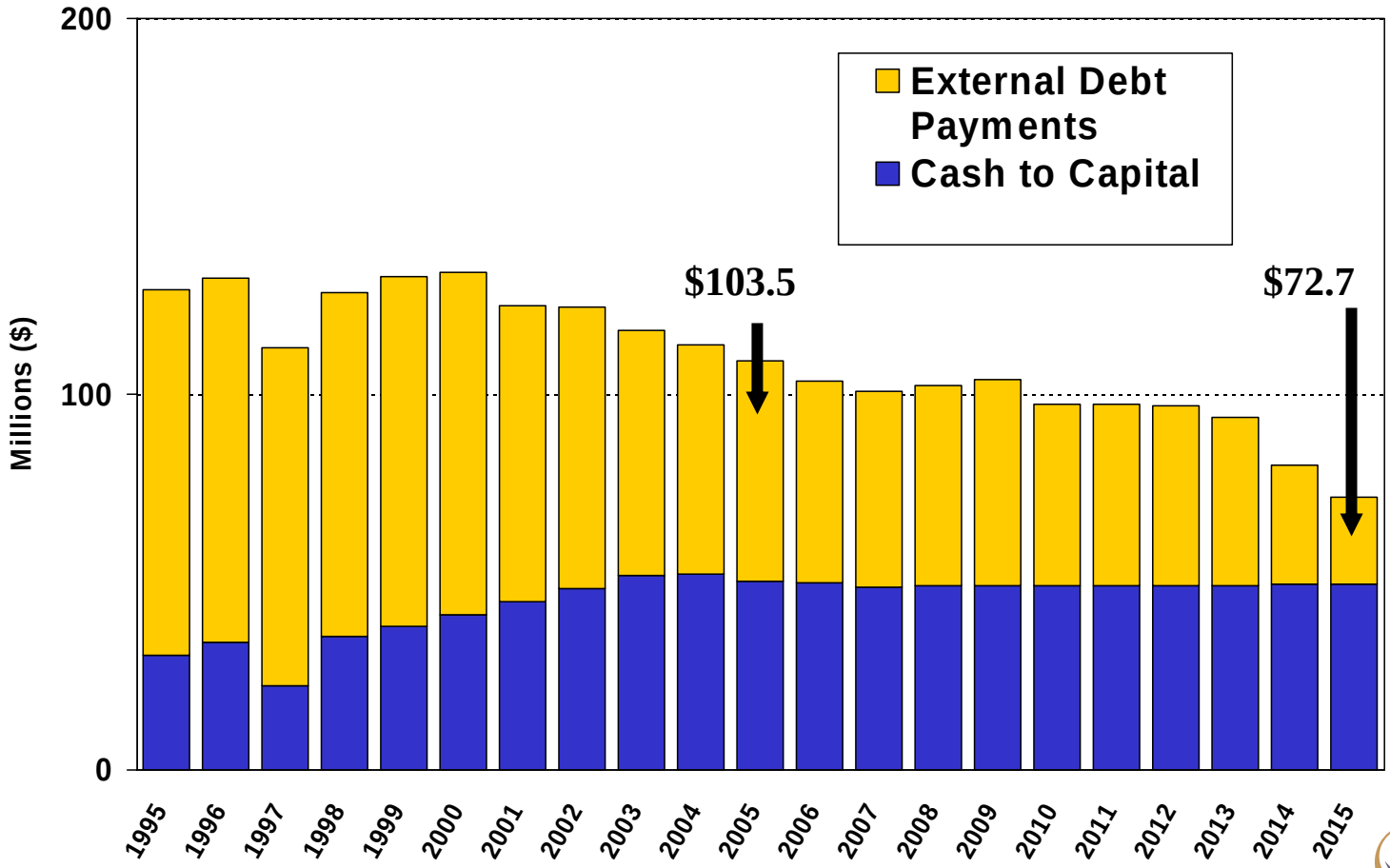
TAX-SUPPORTED CAPITAL FINANCING COSTS



Excludes Civic Accommodations and Transit.

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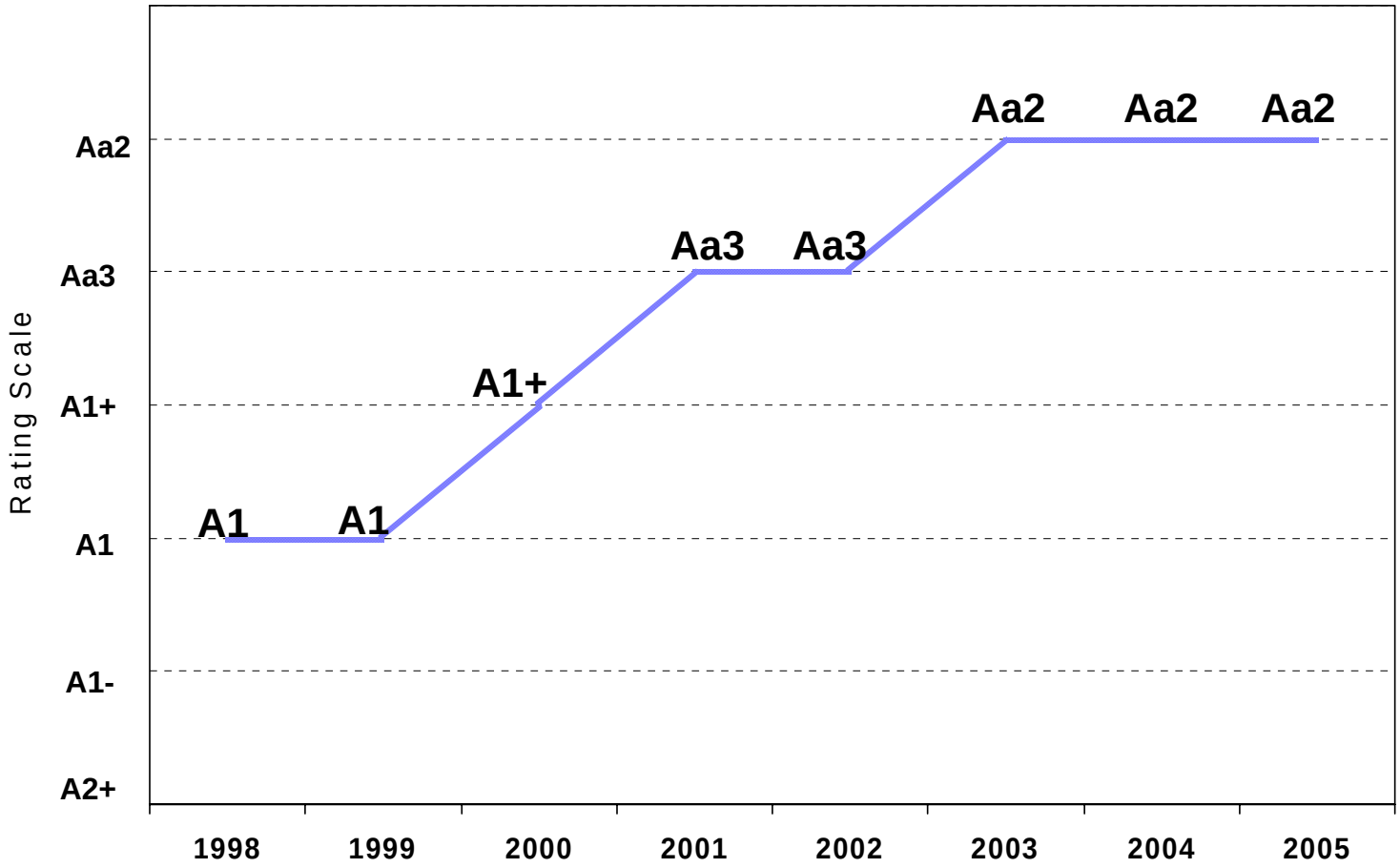
CREDIT RATING



Source Moody's Investors Service

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BUDGET PROCESS
NEXT STEPS

- Standing Policy Committees review budget – March 6 to 10, 2006
- Executive Policy Committee hears delegations – March 13, 2006
- Executive Policy Committee tables final recommendations – March 15, 2006
- Council conducts final review and adoption – March 21, 2006

Winnipeg

THE CITY OF WINNIPEG
2006 Preliminary Operating Budget
TAX-SUPPORTED SUMMARY

	2005 Budget	2006 Budget	Variance	Expl. No.
Revenue:				
Property tax	$ 399,507,129	**$ 404,828,053**	$ 5,320,924	1
Business tax	62,273,198	**62,240,398**	(32,800)	2
Other taxation	22,422,558	**22,158,327**	(264,231)	3
Government grants	77,617,329	**87,990,730**	10,373,401	4
Regulation fees	31,678,132	**23,572,614**	(8,105,518)	5
Sale of goods and services	69,900,469	**65,719,608**	(4,180,861)	6
Interest	11,344,118	**7,796,358**	(3,547,760)	7
Transfers from other funds	31,450,155	**45,556,562**	14,106,407	8
Other	806,133	**1,096,658**	290,525	9
Total Revenue	**$ 706,999,221**	**$ 720,959,308**	**$ 13,960,087**	
Expenditures:				
Departmental:				
Public Works	$ 149,798,243	**$ 153,475,841**	$ 3,677,598	10
Police Service	146,695,427	**153,455,779**	6,760,352	11
Fire Paramedic Service	103,784,751	**108,557,243**	4,772,492	12
Community Services	85,813,552	**89,098,225**	3,284,673	13
Planning, Property and Development	38,729,974	**35,447,986**	(3,281,988)	14
Water and Waste	33,433,298	**32,213,679**	(1,219,619)	15
Street Lighting	9,521,957	**10,127,985**	606,028	16
Corporate Information Technology	16,518,984	**17,380,155**	861,171	17
Corporate Finance	12,883,495	**10,223,932**	(2,659,563)	18
Property Assessment	12,417,554	**11,597,018**	(820,536)	19
Corporate Services	10,420,857	**9,550,887**	(869,970)	20
CAO Secretariat	2,941,970	**3,111,749**	169,779	21
City Clerks	11,355,944	**11,211,241**	(144,703)	22
Other departments	6,454,029	**6,417,456**	(36,573)	23
Sub-total Departmental	$ 640,770,035	**$ 651,869,176**	$ 11,099,141	
Corporate:				
Debt and finance charges	$ 10,472,861	**$ 9,921,125**	$ (551,736)	24
Taxes	6,282,000	**6,402,000**	120,000	25
Insurance and damage claims	3,671,947	**3,567,635**	(104,312)	26
Contribution to Transit	33,830,967	**37,400,194**	3,569,227	27
Grants/payments to other authorities	7,077,212	**7,367,001**	289,789	28
Other	4,894,199	**4,432,177**	(462,022)	29
Sub-total Corporate	$ 66,229,186	**$ 69,090,132**	$ 2,860,946	
Total Expenditures	**$ 706,999,221**	**$ 720,959,308**	**$ 13,960,087**	

THE CITY OF WINNIPEG

2006 Preliminary Operating Budget

TAX-SUPPORTED REVENUE - 2006 Compared to 2005

Expl. No.	Explanations	Variance
1	**Property tax** 2006 property tax revenue at 2005 levels, adjusted for new assessable properties.	**$ 5,320,924**
2	**Business tax** 2006 business tax revenue at levels similar to 2005 budget.	**$ (32,800)**
3	**Other taxation**	
	Net increase in estimated Electricity and Gas Tax revenue.	$ 215,200
	Reduction in budgeted taxation revenue, primarily Entertainment Funding Tax revenue (due to pending by-law review) and Local Improvement Taxes.	(479,431)
	Total	**$ (264,231)**
4	**Government grants** Net increase in government grants, primarily in relation to Province of Manitoba funding: - Formula driven increases for the income tax sharing portion of the Building Manitoba Fund, Casino and Video Lottery Terminal (VLT) revenue - Provincial commitment to cost share 25% of assessment costs to partially recover education tax portion - Request for further cost sharing: • Increase from 25% to 50% cost sharing of assessment services and inclusion of tax billing and collection services to recover education tax portion • further cost sharing of mosquito control program • return to historical 50% cost sharing of Dutch Elm Disease program	**$ 10,373,401**

THE CITY OF WINNIPEG

2006 Preliminary Operating Budget

TAX-SUPPORTED REVENUE - 2006 Compared to 2005

Expl. No.	Explanations	Variance
5	**Regulation fees**	
	Transfer fine and parking permit revenue to Parking Authority Special Operating Agency (See Transfers from other funds).	$ (4,498,000)
	Decrease in revenue budget for Photo Safety Technology Program to better reflect actual experience.	(3,390,000)
	Net decrease in other miscellaneous regulation fees.	(217,518)
	Total	**$ (8,105,518)**
6	**Sale of goods and services**	
	Transfer parking-related revenue to Parking Authority Special Operating Agency (See Transfers from other funds).	$ (5,929,842)
	Increase in revenue from Ambulance user fees as a result of increased call volume and increased rates.	1,157,883
	Effective June 1, 2006, introduce a $5.00 cost-recovery charge for property tax payment reminders, and a $30.00 cost-recovery charge for adding miscellaneous amounts such as unpaid water bills to the tax roll.	183,000
	Net increase in other miscellaneous revenue.	408,098
	Total	**$ (4,180,861)**
7	**Interest**	
	Non-recurring contribution from the Sinking Fund surplus in 2005.	$ (3,400,000)
	Decrease in other interest and debt charges recoverable.	(147,760)
	Total	**$ (3,547,760)**

THE CITY OF WINNIPEG

2006 Preliminary Operating Budget

TAX-SUPPORTED REVENUE - 2006 Compared to 2005

Expl. No.	Explanations	Variance
8	**Transfers from other funds**	
	Increases / (decreases) in transfers from utilities and other funds as follows:	
	- Parking Authority Special Operating Agency (previously reflected in budget as gross revenues and expenditures)	$ 5,744,530
	- Sewer Utility, primarily for phase in of full recovery of land drainage debt and finance charges	4,051,020
	- Fleet Management Agency	3,984,265
	- Civic Accommodations	284,151
	- Water Utility	109,599
	- Solid Waste Disposal Utility	(134,358)
	- Other funds	67,200
	Total	**$ 14,106,407**
9	**Other**	**$ 290,525**
Total Revenue Variance		**$ 13,960,087**

THE CITY OF WINNIPEG
2006 Preliminary Operating Budget
TAX-SUPPORTED EXPENDITURES - 2006 Compared to 2005

Expl. No.	Explanations	Variance
10	**Public Works**	
	Increase in streets maintenance services.	$ 3,121,437
	Increase in parks and open spaces services, including an increase of $200,000 for proactive pruning for elm trees.	2,196,284
	Transfer expenses to Parking Authority Special Operating Agency.	(459,141)
	Reduce transfer to capital, including the elimination of the transfer of $247,000 from Glacial Sand and Gravel Special Operating Agency.	(447,000)
	Decrease in debt and finance charges.	(257,285)
	Other operational cost decreases.	(476,697)
	Total	**$ 3,677,598**
11	**Police Service**	
	Increase in salaries and benefits, including $3.6 million for overtime. Includes complement increase of 48 police officers.	$ 7,084,721
	Increase in facilities costs.	236,111
	Transfer expenses to Parking Authority Special Operating Agency.	(1,177,725)
	Other operational cost increases.	617,245
	Total	**$ 6,760,352**
12	**Fire Paramedic Service**	
	Increase in salaries and benefits, including $0.8 million for overtime. Includes 12 new paramedic positions to operate a new 24 hour ambulance and four full time equivalent firefighter positions to facilitate recruit hiring.	$ 5,072,517
	Decrease in debt and finance charges.	(437,364)
	Discontinue the Fire Investigation Unit program pending ongoing incremental provincial funding, as fire investigation is a provincial responsibility.	(430,197)
	Other operational cost increases.	567,536
	Total	**$ 4,772,492**

THE CITY OF WINNIPEG
2006 Preliminary Operating Budget
TAX-SUPPORTED EXPENDITURES - 2006 Compared to 2005

Expl. No.	Explanations	Variance
13	**Community Services**	
	Increase in budget for the Insect Control Program, including a transfer of $600,000 to the new Insect Control Urgent Expenditures Reserve as approved by Council on March 23, 2005.	$ 1,901,565
	Increase in facilities costs, including maintenance for recreation facilities.	1,024,595
	Transfer to the Recreation Programming Reserve to fund the potential extension of the wading pool and outdoor pool season dependent on weather conditions.	490,000
	Increase in operating grant to the General Council of Winnipeg Community Centres as approved by Council on May 18, 2005.	150,000
	Net increase in transfer to the Animal Services Special Operating Agency, primarily to fund an increase of $125,000 for the grant to the Winnipeg Humane Society as approved by Council on October 26, 2005.	124,224
	Decrease in debt and finance charges.	(420,580)
	Restructuring of the Integrated Neighbourhood Support Services program to concentrate services in high need and adjacent neighbourhoods.	(344,000)
	Other operational increases.	358,869
	Total	**$ 3,284,673**
14	**Planning, Property and Development**	
	Transfer expenses to Parking Authority Special Operating Agency.	$ (2,239,437)
	Decrease in debt and finance charges.	(1,158,931)
	Other operational cost increases.	116,380
	Total	**$ (3,281,988)**

THE CITY OF WINNIPEG
2006 Preliminary Operating Budget
TAX-SUPPORTED EXPENDITURES - 2006 Compared to 2005

Expl. No.	Explanations	Variance
15	**Water and Waste**	
	Decrease in land drainage debt and finance charges.	$ (1,810,637)
	Decrease in expenses from contracting out garbage collection. Excludes benefits realized in the Fleet Management Agency.	(1,800,000)
	Transition costs for contracting out garbage collection.	600,000
	Increase in North contract costs for garbage collection due to price increase.	300,000
	Increase in landfill tipping fee costs (paid to the Solid Waste utility) due to increased volume of garbage collected.	506,249
	Establish a summer and fall maintenance program for major drains in land drainage operation.	250,000
	Other operational cost increases.	734,769
	Total	**$ (1,219,619)**
16	**Street Lighting**	**$ 606,028**
	Increase in costs, primarily due to an increase in Manitoba Hydro rates.	
17	**Corporate Information Technology**	
	Net increase in debt and finance charges, including transfer from Corporate Finance.	$ 1,781,168
	Net decrease in budgets for services and materials, including decreased MicroSoft Office costs.	(1,113,099)
	Other operational cost increases.	193,102
	Total	**$ 861,171**
18	**Corporate Finance**	
	Decrease in debt and finance charges due to transfer to Corporate Information Technology.	$ (2,601,722)
	Miscellaneous.	(57,841)
	Total	**$ (2,659,563)**

THE CITY OF WINNIPEG
2006 Preliminary Operating Budget
TAX-SUPPORTED EXPENDITURES - 2006 Compared to 2005

Expl. No.	Explanations	Variance
19	**Property Assessment**	
	Decrease in salaries and benefits, due to decreasing staff complement.	$ (731,259)
	Decrease in debt and finance charges.	(201,902)
	Other operational cost increases.	112,625
	Total	**$ (820,536)**
20	**Corporate Services**	**$ (869,970)**
	Net operational cost decreases, primarily due to reclassification of corporate training from the Corporate Services department's budget to corporate accounts.	
21	**CAO Secretariat**	
	Centralization of the communication function. Results in overall cost savings in other City departments.	$ 230,000
	Miscellaneous.	(60,221)
	Total	**$ 169,779**
22	**City Clerks**	
	Decrease in Board of Revision costs due to non-recurring costs related to the 2006 reassessment process.	$ (325,400)
	Increase in funding for the Winnipeg Arts Council.	250,000
	Miscellaneous.	(69,303)
	Total	**$ (144,703)**
23	**Other departments**	**$ (36,573)**
	Other operational cost decreases.	
24	**Debt and finance charges**	**$ (551,736)**
	Decrease in non-departmental debt and finance charges.	

THE CITY OF WINNIPEG
2006 Preliminary Operating Budget
TAX-SUPPORTED EXPENDITURES - 2006 Compared to 2005

Expl. No.	Explanations	Variance
25	**Taxes** Increase in taxes, primarily provincial payroll tax.	**$ 120,000**
26	**Insurance and damage claims** Decrease in budget for insurance premiums.	**$ (104,312)**
27	**Contribution to Transit** Increase in contribution to Transit (refer to variance explanation #6 under "Utility Operations" section of this document for additional information on Transit).	**$ 3,569,227**
28	**Grants/payments to other authorities** Net change in grants and payments to other authorities, including new funding in 2006 of $500,000 for the Grey Cup, $110,000 for the Burton Cummings Theatre, and an increase of $60,000 in the grant to Destination Winnipeg. (Note: See page 10 for list of grants and payments to other authorities included in the 2006 Preliminary Operating Budget.)	**$ 289,789**
29	**Other**	
	Cost reduction measures: - $2,890,000 - WAPSO, WAPSO Exempt, Senior Management, other management and professional staff salaries and benefits, and other restructuring initiatives as necessary - $452,566 - consulting budgets - $100,000 - conference and travel budgets - $247,000 - extending replacement cycles for computer equipment - $1,000,000 - alternative service delivery initiatives	$ (4,689,566)
	Increase in other corporate expenses, primarily in provision for cost increases.	4,527,544
	Targeted reduction in corporate accounts.	(300,000)
	Total	**$ (462,022)**
	Total Expenditure Variance	**$ 13,960,087**

THE CITY OF WINNIPEG

2006 Operating Budget

Listing of Grants and Payments to Other Authorities

	2006
Corporate Grants and Payments to Other Authorities	
2006 Grey Cup	$ 500,000
Burton Cummings Theatre	110,000
Children's Museum	67,000
Convention Centre	2,074,649
Corporate Grants - Minimal Municipal Services	300,000
Destination Winnipeg	1,288,000
True North:	
- Refund of Business Tax	400,000
- Refund of Entertainment Funding Tax	1,500,000
Winnipeg Enterprises	75,000
Winnipeg Football Club Entertainment Funding Tax	600,000
Winnipeg Goldeyes:	
- Refund of Municipal Property Tax	90,560
- Refund of Entertainment Funding Tax	275,000
Winnipeg Harvest	50,000
Winnipeg Library Board	36,792
Subtotal	**$ 7,367,001**
Other Grants and Payments to Other Authorities	
Age and Opportunity Centre:	
- Preventative programming for senior citizens	$ 89,000
- Older victims services	17,850
Art City	100,000
Block Parents	17,165
Broadway Neighbourhood Centre	115,000
CentreVenture	250,000
Citizens for Crime Awareness	31,735
Citizenship Council of Manitoba	27,000
Cultural Grants	3,924,552
Elmwood Cemetery	100,000
Festival Du Voyageur	40,000
Fort Whyte Centre	40,000
Heritage Winnipeg Corporation	9,000
Housing and Urban Renewal	34,305
Lake Winnipeg Research Consortium	50,000
Local Grants	141,090
Main Street Project	96,000
The Winnipeg Private Refugee Sponsorship Assurance Program	30,000
Manitoba Theatre for Young People	25,000
Manitoba Wildlife Federation	5,000
Mediation Services	5,000
National Volleyball Teams	75,000
Partners in the Park	260,000
Pritchard Place Drop In Centre	40,000
Rossbrook House	224,339
Take Pride Winnipeg	196,875
Winnipeg Housing Rehabilitation Corporation	200,000
Subtotal	**$ 6,143,911**
Total Grants and Payments to Other Authorities	**$ 13,510,912**

THE CITY OF WINNIPEG
2006 Preliminary Operating Budget
UTILITY OPERATIONS

	2005 Adopted Budget	2006 Preliminary Budget	Variance	Expl. No.
	$	$	$	
Civic Accommodations				
Revenue	30,983,908	**31,854,061**	870,153	
Expenditure	30,983,908	**31,854,061**	870,153	
Surplus/(Deficit)	-	**-**	-	1
Facilities Maintenance				
Revenue	26,436,552	**27,516,490**	1,079,938	
Expenditure	26,436,552	**27,516,490**	1,079,938	
Surplus/(Deficit)	-	**-**	-	2
Sewage Disposal				
Revenue	95,084,007	**101,677,614**	6,593,607	
Expenditure	84,468,922	**87,353,963**	2,885,041	
Surplus/(Deficit)	10,615,085	**14,323,651**	3,708,566	3
Solid Waste Disposal				
Revenue	15,898,483	**17,949,845**	2,051,362	
Expenditure	17,510,231	**18,526,939**	1,016,708	
Surplus/(Deficit)	(1,611,748)	**(577,094)**	1,034,654	4
Waterworks				
Revenue	75,675,765	**76,516,648**	840,883	
Expenditure	70,596,280	**74,987,885**	4,391,605	
Surplus/(Deficit)	5,079,485	**1,528,763**	(3,550,722)	5
Transit				
Revenue	107,928,927	**115,847,206**	7,918,279	
Expenditure	107,928,927	**115,847,206**	7,918,279	
Surplus/(Deficit)	-	**-**	-	6
Total				
Revenue	**352,007,642**	**371,361,864**	**19,354,222**	
Expenditures	**337,924,820**	**356,086,544**	**18,161,724**	
Surplus/(Deficit)	**14,082,822**	**15,275,320**	**1,192,498**	

THE CITY OF WINNIPEG
2006 Preliminary Operating Budget
UTILITY OPERATIONS - 2006 Compared to 2005

Expl. No.	Explanations		Variance
1	**Civic Accommodations**		
	Revenue Changes:		
	Full cost recovery from client departments.	$	870,153
	Expenditure Changes:		
	Operational cost increases including rentals and facility maintenance.	$	729,059
	Increase in transfer to tax-supported budget.		284,151
	Increase in salaries and benefits.		123,639
	Decrease in debt and finance charges.		(266,696)
		$	870,153
	Variance	**$**	-
2	**Facilities Maintenance**		
	Revenue Changes:		
	Full cost recovery from client departments.	$	1,079,938
	Expenditure Changes:		
	Direct cost increases for existing arena and pool facilities.	$	386,041
	Direct cost increases for other City facilities and administrative services.		693,897
		$	1,079,938
	Variance	**$**	-
3	**Sewage Disposal**		
	Revenue Changes:		
	Increase in sewer services revenue.	$	7,052,000
	Other revenue decreases, primarily interest income.		(458,393)
		$	6,593,607
	Expenditure Changes:		
	Increase in transfer to tax-supported Water and Waste operations to phase-in full recovery of land drainage debt and finance costs.	$	4,066,311
	Increase in municipal taxes.		3,057,971
	Operational cost increases, primarily due to Environment Act Licenses for wastewater collection and treatment.		2,724,370
	Increase in salaries and benefits.		1,918,108
	Increase in accommodations charges.		459,230
	Decrease in transfer to the Environmental Reserve.		(5,256,000)
	Decrease in sewer utility debt and finance charges.		(4,084,949)
		$	2,885,041
	Increase in Surplus	**$**	**3,708,566**

THE CITY OF WINNIPEG
2006 Preliminary Operating Budget
UTILITY OPERATIONS - 2006 Compared to 2005

Expl. No.	Explanations	Variance
4	**Solid Waste Disposal**	
	Revenue Changes:	
	Increase in residential recycling revenues.	$ 1,361,713
	Increase in landfill revenues.	735,000
	Miscellaneous.	(45,351)
		$ 2,051,362
	Expenditure Changes:	
	Increase in recycling contract costs.	$ 1,487,760
	Other operational cost decreases.	(471,052)
		$ 1,016,708
	Decrease in Deficit	**$ 1,034,654**
5	**Waterworks**	
	Revenue Changes:	
	Increase in water sales revenue.	$ 854,000
	Miscellaneous.	(13,117)
		$ 840,883
	Expenditure Changes:	
	Increase in salaries and benefits due to new water treatment plant, and increased support staff due to Environment Act Licenses for wastewater collection and treatment.	$ 3,231,567
	Increase in municipal taxes.	620,708
	Increase in accommodations charges.	459,231
	Other operational increases, offset by increased recoveries due to inter-fund allocation of higher support service costs noted above.	80,099
		$ 4,391,605
	Decrease in Surplus	**$ (3,550,722)**

THE CITY OF WINNIPEG
2006 Preliminary Operating Budget
UTILITY OPERATIONS - 2006 Compared to 2005

Expl. No.	Explanations	Variance
6	**Transit**	
	Revenue Changes:	
	Increase in contribution from tax-supported budget.	$ 3,569,227
	Increase in Provincial Support Grant.	2,501,400
	Increase in passenger revenue.	2,116,000
	Reduction in advertising contract revenue.	(400,000)
	Miscellaneous revenue.	131,652
		$ 7,918,279
	Expenditure Changes:	
	Increase in diesel fuel costs.	$ 2,758,000
	Increase in salaries and benefits.	2,715,640
	Increase in transfer to the Bus Replacement Reserve.	1,370,000
	Increase in handi-transit service.	310,000
	Increase in costs for bus parts.	234,936
	Other operational cost increases	529,703
		$ 7,918,279
	Variance	**$** -
	Total Utility Operations Increase in Surplus	**$ 1,192,498**

