STANDING COMMITTEE ON FISCAL ISSUES

On motion of Councillor Angus, the Report of the former Committee on Works and Operations dated September 9, 1997, was considered.

Restoration of various Retained Earnings Accounts utilizing year end surplus in General Revenue Fund File FT-1(Vol. 5)

445 - 6. The Committee on Works and Operations concurs in the following resolution and submits same to Council for favourable consideration:

"WHEREAS the City has relied heavily on reserve accounts and utility retained earnings to balance its General Revenue Fund;

WHEREAS Winnipeg Hydro is currently in a cash overdraft position and has had its retained earnings significantly reduced by City Council;

WHEREAS City Council adopted a transit strategy of which establishing a Utility Retained Earnings Account was an essential component;

WHEREAS the Water and Waste Utility may have to increase rates because of transfers to the General Revenue Fund;

THEREFORE BE IT RESOLVED THAT the Committee on Works and Operations recommends that any year end surplus in the General Revenue Fund be utilized for restoring the Retained Earnings Accounts of Winnipeg Hydro, the Water and Waste Utility, Winnipeg Transit and Equipment and Material Services, proportional to the amounts that were drawn from each utility."

On March 18, 1998, the Executive Policy Committee passed the following resolution, namely:

WHEREAS on September 9, 1997, the Committee on Works and Operations recommended that any year-end surplus in the General Revenue Fund be utilized for restoring the retained earnings accounts of Winnipeg Hydro, the Water and Waste Utility, Winnipeg Transit and Equipment and Materials Services, proportional to the amounts that were drawn from each utility;

WHEREAS any savings from expenditure management, vacancy management and deficit avoidance incurred in the utilities were not transferred to the General Revenue Fund in 1997;

THEREFORE BE IT RESOLVED that Clause 6 of the Report of the Committee on Works and Operations dated September 9, 1997 be filed.

Moved by Councillor Angus,

That the recommendation of the Executive Policy Committee, that the clause be filed, be adopted.

Carried.

The motion that the clause be filed was put.

Report of the former Committee on Works and Operations dated September 9, 1997

Councillor Murray called for the yeas and nays, which were as follows:-

Yea: Councillors Prystanski, Angus, O'Shaughnessy, Phillips, Silva, Steek, Deputy Mayor Eadie, Her Worship Mayor Thompson and Councillor Clement. 9

Nay: Councillors Lubosch, Murray, Thomas and Vandal. 4

and the motion that the clause be filed was declared carried.