Minute No. 305
Report - Executive Policy Committee – March 20, 2008

Item No. 1 2008 Operating Budget – 2009 and 2010 Preliminary Financial Plans
File FE(2008)

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the 2008 Operating Budget as outlined in the following financial summary and as reflected in the Service Based View tabled at the Executive Policy Committee on March 20, 2008, and as amended by Recommendation 2, be approved.

2. That the following adjustments to the 2008 Operating Budget, as tabled at the Executive Policy Committee on March 6, 2008, be made:

   A. That the management fee paid to the Performing Arts Consortium of Winnipeg for managing the Pantages Playhouse Theatre be increased by $5,000.00 to $115,000.00 per annum;

   B. That a grant of $25,000.00 for 2008 be approved for Swim Manitoba;

   C. That the December 11, 2007 recommendation from the City of Winnipeg Museums Board regarding 2008 funding for museums be adopted and that the preliminary budget be adjusted accordingly;

   D. That an amount of up to $500,000.00 be earmarked for the Graffiti Art Programming Inc. in 2008, and be utilized as a base for an endowment fund under the stewardship of The Winnipeg Foundation;

   E. That the budget expenditures be increased by $50,000.00 for the City's collection costs for hotel tax and that an offsetting increase be included in the hotel tax revenue budget;

   F. That the annual grant for the Boys and Girls Clubs of Winnipeg Inc. be increased by a further $20,000.00 for 2008;

   G. That the grant for Heritage Winnipeg be increased to $20,000.00 (from $12,000.00);

   with corresponding offsets to corporate accounts.

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COUNCIL DECISION (continued):

3. That the 2009 and 2010 Projections on the Preliminary Financial Plans for those years, as tabled at the Executive Policy Committee on March 6, 2008, and as reflected in the Service Based View tabled at the Executive Policy Committee on March 20, 2008, and as amended by Recommendation 2, be adopted in principle.

4. That the City's mill rate remain fixed at the 2007 level of 25.448.

5. A. That the City's business tax rate remain unchanged at 7.75% for 2008; and
   B. That the 15% limit on business tax increases resulting from the 2006 General Assessment be extended to 2008.

6. A. That a by-law establishing a 5% hotel tax effective June 1, 2008 be enacted.
   B. That once enacted by Council the bylaw be forwarded to the Lieutenant Governor in Council for approval as required by The Municipal Revenue (Grants and Taxation) Act.

7. That the transfers to/from utility operations, reserves, and other funds as well as the fees and charges outlined in the 2008 Preliminary Operating Budget be approved, including:

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COUNCIL DECISION (continued):

A. Emergency medical service fees effective April 1, 2008 as follows:

Proposed Emergency Medical Service Rates (Per Call)		
(in dollars)	Present Rate	April 1, 2008
Emergency Medical Service		
Basic Rate (not subsidized)	550	560
Regional Rate (provincial subsidized)	413	420
City Rate (city and provincial subsidized)	275	280
Interfacility Transfer Service		
Basic Rate (not subsidized)	398	406
Regional Rate (provincial subsidized)	299	305
City Rate (city and provincial subsidized)	199	203
Treatment No Transport Service - Basic Rate		
Basic Rate (not subsidized)	234	238
Regional Rate (provincial subsidized)	176	179
City Rate (city and provincial subsidized)	117	119
Treatment No Transport Service - Advanced Care	418	426
Basic Rate (not subsidized)	214	320
Regional Rate (provincial subsidized)	209	213
City Rate (city and provincial subsidized)		

B. A surcharge of $150.00 on calls requiring Advanced Life Support (ALS) procedures be approved effective April 1, 2008.

8. That the $500,000.00 for Public Art previously approved in the 2008 Adopted Capital Budget be reduced to $100,000.00 on a one-time basis to reduce debt and finance charges in the tax-supported operating budget.

9. That the former restrictions on charges to the Snow Clearing Reserve in any one year be rescinded, and that no minimum balance be required (previously set at $5 million) before any charges can be made to the Reserve.

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COUNCIL DECISION (continued):

10. A. That a "Rapid Transit Infrastructure Reserve" be established in accordance with Section 289 of The City of Winnipeg Charter;

    B. That the Director of Transit be designated as the Fund Manager;

    C. That the purpose of the reserve be to accumulate funds and subsequently to expend on future costs incurred on account of public transit infrastructure, including the construction of rapid transit corridors contemplated in the future; and

    D. That a transfer to the Transit Infrastructure Reserve of $2,750,000.00 be approved in 2008 as an initial City contribution to this new reserve.

11. That the Public Service be directed to include budgets for reserves in the budget documents commencing with the 2009 budget process.

12. That the Public Service consider alternative operating arrangements for Building Services, Civic Accommodations and Real Estate including a special operating agency and recommend the preferred approach.

13. That the Public Service be instructed to move to a full-cost recovery model through amendments to the Planning, Development, and Building Fees By-law.

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COUNCIL DECISION (continued):

14. A. That a new proposed Planning, Development and Building Fees By-law, which moves towards a full cost recovery methodology, incorporating the following changes be adopted:

    i. The second paragraph in page two of Attachment "F" to the report of the Acting Director of Planning, Property and Development dated March 6, 2008 be amended by deleting Category B (Major – standard conditions some issues and time required) and Category C (Complex - extensive staff time reviews – public meetings, etc.) and all the proposed corresponding fees.

    B. That the planning, development and building fees and charges contained within this by-law continue to be increased at a rate equivalent to the increase in Consumer Price Index (CPI), unless a review indicates otherwise.

    C. That the new Planning, Development and Building Fees By-law come into effect May 1, 2008 in order to provide notice to the industry to adjust for the 2008 construction season.

    D. That the Winnipeg Public Service report back by December 2008 with a detailed review of the impact of the fee increases and a comprehensive review of the cost of services for Building Permits and Land Development Applications.

    E. That all fees and charges contained within this by-law be reviewed at least once every three (3) years.

15. That the Chief Administrative Officer be delegated the authority to restate the budget subsequent to adoption to allocate amounts to departments to reflect Council's ratification of collective agreements as well as cost reduction measures, on a budget neutral basis.

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

17. 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.

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DECISION MAKING HISTORY:

Moved by His Worship Mayor Katz,
That the recommendation of the Executive Policy Committee be adopted.

In amendment,

Moved by Councillor Gerbasi,
Seconded by Councillor Smith,

WHEREAS $500,000 was approved in the 2008 Capital budget on December 18th, 2007 for the City's Public Art Program;

AND WHEREAS funding of $400,000 has been cut from the Public Art Program for 2008 and that revenue transferred to the 2008 Operating Budget;

AND WHEREAS Winnipeg's Public Art Program has been looked upon as a model program by other cities;

AND WHEREAS Public Art plays a key role in enhancing the vibrancy, uniqueness, diversity and building a sense of community;

AND WHEREAS numerous community projects that enhance our public parks and spaces and involve neighbourhood groups, inner city youth and Aboriginal people will not proceed if this funding is not restored;

AND WHEREAS administrative costs in the Public Art Policy have been within Council approved policy;

AND WHEREAS City Council has made a commitment to support Winnipeg's efforts to be the Cultural Capital of Canada in 2010;

THEREFORE BE IT RESOLVED THAT the Public Art Program funding be restored to $500,000 for the year 2008.

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DECISION MAKING HISTORY (continued):

In amendment,

Moved by Councillor Vandal,
Seconded by Councillor Gerbasi,

WHEREAS the May 2004 Council commitment clearly stated that $1.4 million be made available for Aboriginal youth issues;

WHEREAS the 2008 Winnipeg Operating budget includes $ 1 million for an Aboriginal youth strategy;

THEREFORE BE IT RESOLVED THAT another $400,000 be included in the 2008 operating budget for an Aboriginal youth strategy.

In amendment,

Moved by Councillor Vandal,
Seconded by Councillor Pagtakhan,

WHEREAS the Winnipeg Housing Steering Committee have recommended that $2 million be included in the 2008 operating budget for housing issues in Winnipeg;

AND WHEREAS the 2008 Winnipeg Operating budget have allocated $1 million for housing;

THEREFORE BE IT RESOLVED THAT another $1 million be added to the 2008 operating budget, for a total of $2 million housing investment in the 2008 operating budget.

In amendment,

Moved by Councillor Pagtakhan,
Seconded by Councillor Thomas,

WHEREAS Winnipeg's Library system provides all citizens with high quality, responsive and innovative library services in a cost effective manner which foster the individual pursuit of knowledge and enhance the cultural, economic and intellectual vitality of the community;

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DECISION MAKING HISTORY (continued):

AND WHEREAS the Winnipeg Public Library is fundamental to literacy development for all citizens of all ages;

AND WHEREAS the Winnipeg Public Library provides public access to the electronic world of information including but not limited to: on-line search tools, CD-ROMS, DVD's, E-Books, E-Journals, special on-line databases, and wireless and internet access;

AND WHEREAS there were over 300,000 computer bookings throughout the Library system in 2007;

AND WHEREAS Council established a Library Reserve Fund in 1994, and amended in 2001 to allocate revenues generated from overdue fines, replacement fees for lost items, room rentals, non resident fees and photocopy fees to a special reserve fund dedicated for ongoing technological improvements within the Winnipeg Public Library system;

AND WHEREAS the Library Reserve Fund has been used exclusively to upgrade, enhance and expand the technological base of the Library;

AND WHEREAS it is the intent of the policy to utilize system generated revenue back into Winnipeg's Public Library system;

AND WHEREAS, the proposed reallocation of $679,000.00 from the Library Reserve Fund into General Revenue is counter to Council Policy;

AND WHEREAS the Winnipeg Public Library Board as a whole has not had the opportunity to understand the long term planning implications, and to provide meaningful input to the Winnipeg Public Service relative to this reallocation;

THEREFORE BE IT RESOLVED THAT the proposed one-time transfer of $400,000.00 from the Library (IT) Reserve Fund to balance the budget, not be proceeded with;

AND BE IT FURTHER RESOLVED that the $279,419.00 transfer in 2008, as per Council Policy to the Library (IT) Reserve Fund be reinstated.

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DECISION MAKING HISTORY (continued):

In amendment,

Moved by Councillor Pagtakhan,
Seconded by Councillor Gerbasi,

WHEREAS the Community Development and Recreation Services Division offers free admission to the Children's Drop-In Play Program in various schools and recreation centres and community centres;

AND WHEREAS the Children's Drop-In Play Program is offered at limited locations and during limited times;

AND WHEREAS the provision of recreation services is a core service of the City of Winnipeg's operations;

THEREFORE BE IT RESOLVED that the $430,929.00 savings realized by way of Vacancy Management in Community Services be realigned to salaries and operating accounts to increase the provision of recreational services in all communities as it relates to after school programming, arts programming, and community partnerships on a go forward basis;

AND BE IT FURTHER RESOLVED that a policy discussion take place to realize the intent of this motion at the Standing Policy Committee on Protection & Community Services.

In amendment,

Moved by Councillor Pagtakhan,
Seconded by Councillor Gerbasi,

WHEREAS the City's wading pools are popular and well used recreational amenities during the summer months;

THEREFORE BE IT RESOLVED that the $490,000.00 transfer to the Recreation Programming Reserve for the extended wading pool and outdoor pool season be reinstated.

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DECISION MAKING HISTORY (continued):

The Speaker noted that with the concurrence of Council, the Rule would be suspended and each of the amendments would be considered concurrently with Item No. 1.

Moved by Councillor Wyatt,
That Council go into Committee of the Whole.

The motion that Council go into Committee of the Whole was put.

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

Yea: Councillors Gerbasi, Pagtakhan, Smith, Thomas, Vandal and Wyatt. 6

Nay: His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Leipsic, Nordman, Steeves, Swandel and Lazarenko. 9

and the motion that Council go into Committee of the Whole was declared lost.

The amendment proposed by Councillors Pagtakhan and Gerbasi regarding wading and outdoor pools was put.

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

Yea: Councillors Gerbasi, Pagtakhan, Smith, Thomas, Vandal, Wyatt and Lazarenko. 7

Nay: His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves and Swandel. 9

and the amendment proposed by Councillors Pagtakhan and Gerbasi regarding wading and outdoor pools was declared lost.

The amendment proposed by Councillors Pagtakhan and Gerbasi regarding after school programming, arts programming, and community partnerships was put.

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DECISION MAKING HISTORY (continued):

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

Yea: Councillors Gerbasi, Pagtakhan, Smith, Thomas, Vandal and Wyatt. 6

Nay: His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves, Swandel and Lazarenko. 10

and the amendment proposed by Councillors Pagtakhan and Gerbasi regarding after school programming, arts programming, and community partnerships was declared lost.

The amendment proposed by Councillors Pagtakhan and Thomas was put.

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

Yea: Councillors Gerbasi, Pagtakhan, Smith, Thomas and Vandal. 5

Nay: His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves, Swandel, Wyatt and Lazarenko. 11

and the amendment proposed by Councillors Pagtakhan and Thomas was declared lost.

The amendment proposed by Councillors Vandal and Pagtakhan was put.

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

Yea: Councillors Gerbasi, Pagtakhan, Smith, Thomas, Vandal, Wyatt and Lazarenko. 7

Nay: His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves and Swandel. 9

and the amendment proposed by Councillors Vandal and Pagtakhan was declared lost.

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DECISION MAKING HISTORY (continued):

The amendment proposed by Councillors Vandal and Gerbasi was put.

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

Yea: Councillors Gerbasi, Pagtakhan, Smith, Thomas and Vandal. 5

Nay: His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves, Swandel, Wyatt and Lazarenko. 11

and the amendment proposed by Councillors Vandal and Gerbasi was declared lost.

The amendment proposed by Councillors Gerbasi and Smith was put.

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

Yea: Councillors Gerbasi, Pagtakhan, Smith, Thomas and Vandal. 5

Nay: His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves, Swandel, Wyatt and Lazarenko. 11

and the amendment proposed by Councillors Gerbasi and Smith was declared lost.

The motion for the adoption of the item was put.

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

Yea: His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves, Swandel, Wyatt and Lazarenko. 11

Nay: Councillors Gerbasi, Pagtakhan, Smith, Thomas and Vandal. 5

and the motion for the adoption of the item was declared carried.

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DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 20, 2008, the Executive Policy Committee concurred in the preliminary 2008 to 2010 Operating Budget with the following amendments, namely:

- Delete Recommendation No. 1 in its entirety, replace with the following and renumber the balance of the recommendations accordingly:

    1. That the 2008 Operating Budget as outlined in the following financial summary and as reflected in the Service Based View tabled at the Executive Policy Committee on March 20, 2008, and as amended by Recommendation 2, be approved.

    2. That the following adjustments to the 2008 Operating Budget, as tabled at the Executive Policy Committee on March 6, 2008, be made:
        A. That the management fee paid to the Performing Arts Consortium of Winnipeg for managing the Pantages Playhouse Theatre be increased by $5,000.00 to $115,000.00 per annum;

        B. That a one time only grant of $25,000.00 be approved for Swim Manitoba;

        C. That the December 11, 2007 recommendation from the City of Winnipeg Museums Board regarding 2008 funding for museums be adopted and that the preliminary budget be adjusted accordingly;

        D. That an amount of up to $500,000.00 be earmarked for the Graffiti Art Programming Inc. in 2008, and be utilized as a base for an endowment fund under the stewardship of The Winnipeg Foundation;

        E. That the budget expenditures be increased by $50,000.00 for the City's collection costs for hotel tax and that an offsetting increase be included in the hotel tax revenue budget;

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DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

F. That the annual grant for the Boys and Girls Clubs of Winnipeg Inc. be increased by a further $20,000.00 for 2008;

G. That the grant for Heritage Winnipeg be increased to $20,000.00 (from $12,000.00);

with corresponding offsets to corporate accounts.

3. That the 2009 and 2010 Projections on the Preliminary Financial Plans for those years, as tabled at the Executive Policy Committee on March 6, 2008, and as reflected in the Service Based View tabled at the Executive Policy Committee on March 20, 2008, and as amended by Recommendation 2, be adopted in principle.

- Delete Recommendation No. 6 (formerly No. 4) in its entirety and replace with the following:

6. A. That a by-law establishing a 5% hotel tax effective June 1, 2008 be enacted.

B. That once enacted by Council the bylaw be forwarded to the Lieutenant Governor in Council for approval as required by The Municipal Revenue (Grants and Taxation) Act.

- Insert the following as Recommendation No. 14 and renumber the balance of the recommendations accordingly

14. A. That a new proposed Planning, Development and Building Fees By-law, which moves towards a full cost recovery methodology, incorporating the following changes be adopted:

i. The second paragraph in page two of Attachment “F” to the report of the Acting Director of Planning, Property and Development dated March 6, 2008 be amended by deleting Category B (Major – standard conditions some issues and time required) and Category C (Complex - extensive staff time reviews – public meetings, etc.) and all the proposed corresponding fees.

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DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

B. That the planning, development and building fees and charges contained within this by-law continue to be increased at a rate equivalent to the increase in Consumer Price Index (CPI), unless a review indicates otherwise.

C. That the new Planning, Development and Building Fees By-law come into effect May 1, 2008 in order to provide notice to the industry to adjust for the 2008 construction season.

D. That the Winnipeg Public Service report back by December 2008 with a detailed review of the impact of the fee increases and a comprehensive review of the cost of services for Building Permits and Land Development Applications.

E. That all fees and charges contained within this by-law be reviewed at least once every three (3) years,

and submitted the matter to Council.

EXECUTIVE POLICY COMMITTEE:

On March 6, 2008, the Executive Policy Committee tabled the Preliminary 2008 Operating Budget, which outlined the following recommendations:

1. A. That the 2008 Preliminary Operating Budget be approved and forwarded to all Members of Council for their review; and

   B. That the 2009 and 2010 projections be received as information on the preliminary financial plans for those years.

2. That the City's mill rate remain fixed at the 2007 level of 25.448.

3. A. That the City's business tax rate remain unchanged at 7.75% for 2008; and

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DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE (continued):

B. That Council extend to 2008 the 15% limit on business tax increases resulting from the 2006 General Assessment.

4. That Council enact a by-law establishing a 5% hotel tax effective June 1, 2008, and that the by-law be forwarded to the Lieutenant Governor in Council for approval as required by the Municipal Revenue (Grants and Taxation) Act, and that the Chief Administrative Officer be directed to finalize negotiations with the Province to collect the tax on the City's behalf.

5. That the transfers to/from utility operations, reserves, and other funds as well as the fees and charges outlined in the 2008 Preliminary Operating Budget be approved, including:

A. Emergency medical service fees effective April 1, 2008 as follows:

Proposed Emergency Medical Service Rates (Per Call)		
(in dollars)	Present Rate	**April 1, 2008**
Emergency Medical Service		
Basic Rate (not subsidized)	550	560
Regional Rate (provincial subsidized)	413	420
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Interfacility Transfer Service		
Basic Rate (not subsidized)	398	406
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City Rate (city and provincial subsidized)	199	203
Treatment No Transport Service - Basic Rate		
Basic Rate (not subsidized)	234	238
Regional Rate (provincial subsidized)	176	179
City Rate (city and provincial subsidized)	117	119
Treatment No Transport Service - Advanced Care		
Basic Rate (not subsidized)	418	426
Regional Rate (provincial subsidized)	214	320
City Rate (city and provincial subsidized)	209	213

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DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE (continued):

B. A surcharge of $150.00 on calls requiring Advanced Life Support (ALS) procedures be approved effective April 1, 2008.

6. That the $500,000 for Public Art previously approved in the 2008 Adopted Capital Budget be reduced to $100,000 on a one-time basis to reduce debt and finance charges in the tax-supported operating budget.

7. That the former restrictions on charges to the Snow Clearing Reserve in any one year be rescinded, and that no minimum balance be required (previously set at $5 million) before any charges can be made to the reserve.

8. A. That Council establish a "Rapid Transit Infrastructure Reserve" in accordance with Section 289 of the City of Winnipeg Charter;

B. That the Director of Transit be designated as the Fund Manager;

C. That the purpose of the reserve be to accumulate funds and subsequently to expend on future costs incurred on account of public transit infrastructure, including the construction of rapid transit corridors contemplated in the future; and

D. That a Transfer to the Transit Infrastructure Reserve of $2,750,000 be approved in 2008 as an initial City contribution to this new reserve.

9. That the Public Service be directed to include budgets for reserves in the budget documents commencing with the 2009 budget process.

10. That the Public Service consider alternative operating arrangements for Building Services, Civic Accommodations and Real Estate including a special operating agency and recommend the preferred approach.

11. That the Public Service be instructed to move to a full-cost recovery model through amendments to the Planning, Development, and Building Fees By-law.

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DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE (continued):

12. That the Chief Administrative Officer be delegated the authority to restate the budget subsequent to adoption to allocate amounts to departments to reflect Council's ratification of collective agreements as well as cost reduction measures, on a budget neutral basis.

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

14. 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.

Further on March 6, 2008, the Executive Policy Committee referred the Preliminary 2008 Operating Budget and Financial Plan for 2009 and 2010 to the following budget process timetable, namely:

March 10 to 14, 2008	Standing Policy Committees - Review
March 17, 2008	Executive Policy Committee - Delegations
March 20, 2008	Executive Policy Committee - Recommendation to Council
March 26, 2008	Council