Agenda – Council – March 22, 2011

Report – Executive Policy Committee – March 16, 2011

Item No. 1 2011 Operating Budget and Financial Plans for 2012 and 2013

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 16, 2011, the Executive Policy Committee submitted the following to Council:

1. That the 2011 Preliminary Operating Budget, including the budgets for reserves (Appendix 2), tabled at the Executive Policy Committee on March 7, 2011, and amended by Recommendation No. 3, be approved.

2. That the 2012 and 2013 projections, tabled at the Executive Policy Committee on March 7, 2011, and as amended by Recommendation 3, be received as information on the preliminary financial plans for those years.

3. That the following adjustments to the 2011 Preliminary Operating Budget and the 2012 and 2013 Financial Plans, as tabled at the Executive Policy Committee on March 7, 2011, be made:

    A. That an additional $25,000 be added to the Winnipeg Public Library material's budget, as a permanent addition to the library's budget.

    B. That an additional grant of $66,000, plus in-kind services of training and vehicle provision from Winnipeg Police Service and Winnipeg Fire Paramedic Service at current levels be approved for the Downtown Winnipeg Business Improvement Zone in 2011 for the Downtown Outreach Patrol: A Downtown Safety Initiative.

    C. That the Public Service explore the opportunities for transitioning from the Downtown Outreach Patrol to the Winnipeg Police Service Cadets in 2012, contingent upon receipt of a minimum cost-sharing from both the Province of Manitoba of $175,000 and from the Downtown Winnipeg Business Improvement Zone of $100,000, plus annual inflationary increases.

    D. That the annual grant funding for the Heritage Winnipeg Corporation be increased by $2,400.

    E. That grant funding of $15,000 in 2011 be approved for The Military Heritage of Manitoba for the Manitoba Salutes Program.

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F. That additional grant funding of $276,000 ($92,000 over the years 2011, 2012 and 2013) be approved for the Manitoba Children's Museum capital campaign.

G. That additional annual grant funding of $20,000 be approved for the Immigrant and Refugee Community Organization of Manitoba Inc.

H. That the February 24, 2010 Council Motion be received as information, inasmuch as the budget document contains additional funding for extending the operating hours of the Millennium Library.

I. That $250,000 be included in the 2011 to 2013 budget of the Office of the Chief Administrative Officer for the provision of planning, policy and research support.

J. That additional grant funding of $60,000 ($20,000 for the years 2011, 2012 and 2013) be approved for Winnipeg Harvest towards its capital program,

with offsets to corporate accounts.

4. That the City's mill rate remain fixed at the 2010 level of 15.295.
(Note: 2011 property tax revenue will remain at 2010 levels, adjusted for new assessable properties)

5. A. That the City's business tax rate remain unchanged at 6.39% for 2011.
(Note: 2011 business tax revenue will remain at 2010 levels, adjusted for new assessable businesses).

B. That Council enact the attached Small Business Tax Credit by-law under Subsection 219(2) of the City of Winnipeg Charter, which will provide a full rebate of municipal business taxes for businesses with an annual rental value of $19,800 or less in 2011.

6. That the combined uniform rate for the Street Renewal Frontage Levy be increased from $2.55 per frontage foot to $3.75 per frontage foot (an increase of $1.20 per frontage foot), proportionately divided between the water main and sewer main rates on the basis of the current rates, to be used for upgrading, repair, replacement and maintenance of streets and sidewalks.

7. That the fees, levies, and transfers between funds outlined in the 2011 Preliminary Operating Budget be approved.

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8. That $5 million in prior years' tax supported capital surplus identified in the recent capital review and $7.899 million from the Capital Investment Fund be utilized to reduce debt and finance charges in the 2011 tax supported operating budget.

9. That the Director of Public Works be the Fund Manager for the Insect Control Reserve Fund and the Director of Corporate Support Services be the Fund Manager for the Computer Replacement Reserve Fund.

10. That the balance in the Permit Reserve Fund be capped at $2 million from the current $3 million and any surplus funds above the $2 million cap be transferred to the Planning Property and Development Department in the General Revenue Fund.

11. That the following reserves with a zero or near zero residual balance be closed: the Aqueduct Rehabilitation Reserve, the Assiniboine Park Enterprise Reserve, and the Idea Bank Reserve.

12. That effective January 1, 2011, the Equity in Capital Assets Fund be consolidated into the General Capital Fund.

13. That the Utility Dividend Policy in Appendix 3 be approved.

14. That the following fees be adopted for appeals submitted to the Board of Revision in regards to Business and Realty Assessment:

Assessed Value of Property Subject to Appeal	Appeal Fee
Single Family Residential Properties/Residential Condos	$50
All Other Properties:	
Less than $500,000	$50
Between $500,000 and $5,000,000	$10 per $100,000 of Assessed Value
Over $5,000,000	$500

with all fees refundable upon an appeal deemed successful.

15. That the Chief Administrative Officer be delegated the authority to allocate cost efficiency measures on a budget neutral basis.

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16. That Schedule "A" (Streets on Which Temporary Signs are Prohibited) of the Neighbourhood Liveability By-law No. 1/2008 be amended as per Attachment A to the report of the Winnipeg Public Service dated February 1, 2011, by adding the following streets:

    A. Wilkes Avenue from PTH 100 to Shaftesbury Boulevard.
    B. Sterling Lyon Parkway from Shaftesbury Boulevard to Victor Lewis Drive.

17. That the Director of Legal Services and City Solicitor be requested to submit the necessary by-laws to implement the above recommendations.

18. 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:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 16, 2011, the Executive Policy Committee recommended that the 2011 Operating Budget and the 2012 and 2013 Preliminary Financial Plan be approved, 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 2011 Preliminary Operating Budget, including the budgets for reserves (Appendix 2), tabled at the Executive Policy Committee on March 7, 2011, and amended by Recommendation No. 3, be approved.

    2. That the 2012 and 2013 projections, tabled at the Executive Policy Committee on March 7, 2011, and as amended by Recommendation 3, be received as information on the preliminary financial plans for those years.

    3. That the following adjustments to the 2011 Preliminary Operating Budget and the 2012 and 2013 Financial Plans, as tabled at the Executive Policy Committee on March 7, 2011, be made:

        A. That an additional $25,000 be added to the Winnipeg Public Library material's budget, as a permanent addition to the library's budget.

        B. That an additional grant of $66,000, plus in-kind services of training and vehicle provision from Winnipeg Police Service and Winnipeg Fire Paramedic Service at current levels be approved for the Downtown Winnipeg Business Improvement Zone in 2011 for the Downtown Outreach Patrol: A Downtown Safety Initiative.

        C. That the Public Service explore the opportunities for transitioning from the Downtown Outreach Patrol to the Winnipeg Police Service Cadets in 2012, contingent upon receipt of a minimum cost-sharing from both the Province of Manitoba of $175,000 and from the Downtown Winnipeg Business Improvement Zone of $100,000, plus annual inflationary increases.

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DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

D. That the annual grant funding for the Heritage Winnipeg Corporation be increased by $2,400.

E. That grant funding of $15,000 in 2011 be approved for The Military Heritage of Manitoba for the Manitoba Salutes Program.

F. That additional grant funding of $276,000 ($92,000 over the years 2011, 2012 and 2013) be approved for the Manitoba Children's Museum capital campaign.

G. That additional annual grant funding of $20,000 be approved for the Immigrant and Refugee Community Organization of Manitoba Inc.

H. That the February 24, 2010 Council Motion be received as information, inasmuch as the budget document contains additional funding for extending the operating hours of the Millennium Library.

I. That $250,000 be included in the 2011 to 2013 budget of the Office of the Chief Administrative Officer for the provision of planning, policy and research support.

J. That additional grant funding of $60,000 ($20,000 for the years 2011, 2012 and 2013) be approved for Winnipeg Harvest towards its capital program,

with offsets to corporate accounts.

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DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

- Insert a new recommendation 16 and renumber the balance of the recommendations accordingly

    16. That Schedule "A" (Streets on Which Temporary Signs are Prohibited) of the Neighbourhood Liveability By-law No. 1/2008 be amended as per Attachment A to the report of the Winnipeg Public Service dated February 1, 2011, by adding the following streets:

        A. Wilkes Avenue from PTH 100 to Shaftesbury Boulevard.
        B. Sterling Lyon Parkway from Shaftesbury Boulevard to Victor Lewis Drive,

and submitted the matter to Council

On March 14, 2011, the Executive Policy Committee received as information the delegations and presentations pertaining to the Preliminary 2011 Operating Budget and Financial Plans for 2012 and 2013, and referred the matters brought forward to the Operating Budget deliberations by the Executive Policy Committee on March 16, 2011.

STANDING COMMITTEE RECOMMENDATIONS:

On March 11, 2011, the Standing Policy Committee on Protection and Community Services recommended to the Executive Policy Committee that the Preliminary 2011 Operating Budget and Financial Plans for 2012 and 2013 under its purview be approved with the exception of the following:

1. That an additional $25,000 be added to the Winnipeg Public Library material's budget, as a permanent addition to the library's budget;

2. That an additional $24,000 be added to the Big Brothers Big Sisters of Winnipeg grant;

3. That an additional $25,000 be added to the Winnipeg Boys and Girls Clubs of Winnipeg, Manitoba grant;

4. Than the Winnipeg Arts Council Inc. Grants be increased by $150,000;

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DECISION MAKING HISTORY (continued):

STANDING POLICY COMMITTEE RECOMMENDATION (continued):

5. That the Downtown Winnipeg BIZ grant be increased by $100,000 for the Downtown Outreach Patrol: A Downtown Safety Initiative;

6. A. That an additional annual amount of $80,000 **not** be approved to fund the hiring of one Streets Constable in order to increase enforcement of the Neighbourhood Liveability By-law No. 1/2008 relative to illegal temporary advertising signs on streets.

   B. i. That Schedule "A" (Streets on Which Temporary Signs are Prohibited) of the Neighbourhood Liveability By-law No. 1/2008 be amended as per Attachment A to the report of the Winnipeg Public Service dated February 1, 2011, by adding the following streets:
      a. Wilkes Avenue from PTH 100 to Shaftesbury Boulevard.
      b. Sterling Lyon Parkway from Shaftesbury Boulevard to Victor Lewis Drive.

Further on March 11, 2011, due to a tie vote, the Standing Policy Committee on Protection and Community Services submitted the February 24, 2010 Council Motion, pertaining to the hours of operation at the Millennium Library, to the Executive Policy Committee and Council without recommendation.

On March 10, 2011, the Standing Policy Committee on Infrastructure Renewal and Public Works recommended to the Executive Policy Committee that the Preliminary 2011 Operating Budget and Financial Plans for 2012 and 2013 under its purview be approved as submitted.

On March 10, 2011, the Standing Policy Committee on Property and Development recommended to the Executive Policy Committee that the Preliminary 2011 Operating Budget and Financial Plans for 2012 and 2013, under its purview, be approved, as submitted, with the exception of the following:

1. That $500,000.00 be allocated from the Housing Rehabilitation Investment Reserve to the Home Renovation Tax Assistance Program, with the intention of increasing the maximum allowable credit for the Home Renovation Tax Assistance Program by 50% and the understanding that the expenditures of the balance of the $500,000.00 in the Housing Rehabilitation Investment Reserve are to be referred to the Winnipeg Housing Steering Committee for recommendation to the Executive Policy Committee.

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DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

Further on March 7, 2011, the Executive Policy Committee referred the Preliminary 2011 Operating Budget and Financial Plans for 2012 and 2013 to the following budget process timetable, namely:

March 10 and 11, 2011	Standing Policy Committees – Review
March 14, 2011	Executive Policy Committee – Delegations
March 16, 2011	Executive Policy Committee – Recommendation to Council
March 22, 2011	Council

On March 7, 2011, the Executive Policy Committee tabled the Preliminary 2011 Operating Budget and Financial Plans for 2012 and 2013, which outlined the following recommendations:

1. a) That the 2011 Preliminary Operating Budget, including the budgets for reserves (Appendix 2), be approved and forwarded to all Members of Council for their review; and

   b) That the 2012 and 2013 projections be received as information on the preliminary financial plans for those years.

2. That the City's mill rate remain fixed at the 2010 level of 15.295.
   (Note: 2011 property tax revenue will remain at 2010 levels, adjusted for new assessable properties).

3. a) That the City's business tax rate remain unchanged at 6.39% for 2011.
   (Note: 2011 business tax revenue will remain at 2010 levels, adjusted for new assessable businesses).

   b) That Council enact the attached Small Business Tax Credit by-law under Subsection 219(2) of the City of Winnipeg Charter, which will provide a full rebate of municipal business taxes for businesses with an annual rental value of $19,800 or less in 2011.

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DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

4. That the combined uniform rate for the Street Renewal Frontage Levy be increased from $2.55 per frontage foot to $3.75 per frontage foot (an increase of $1.20 per frontage foot), proportionately divided between the water main and sewer main rates on the basis of the current rates, to be used for upgrading, repair, replacement and maintenance of streets and sidewalks.

5. That the fees, levies, and transfers between funds outlined in the 2011 Preliminary Operating Budget be approved.

6. That $5 million in prior years' tax supported capital surplus identified in the recent capital review and $7.899 million from the Capital Investment Fund be utilized to reduce debt and finance charges in the 2011 tax supported operating budget.

7. That the Director of Public Works be the Fund Manager for the Insect Control Reserve Fund and the Director of Corporate Support Services be the Fund Manager for the Computer Replacement Reserve Fund.

8. That the balance in the Permit Reserve Fund be capped at $2 million from the current $3 million and any surplus funds above the $2 million cap be transferred to the Planning Property and Development Department in the General Revenue Fund.

9. That the following reserves with a zero or near zero residual balance be closed: the Aqueduct Rehabilitation Reserve, the Assiniboine Park Enterprise Reserve, and the Idea Bank Reserve.

10. That effective January 1, 2011, the Equity in Capital Assets Fund be consolidated into the General Capital Fund.

11. That the Utility Dividend Policy in Appendix 3 be approved.

Report – Executive Policy Committee – March 16, 2011

DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

12. That the following fees be adopted for appeals submitted to the Board of Revision in regards to Business and Realty Assessment:

Assessed Value of Property Subject to Appeal	Appeal Fee
Single Family Residential Properties/Residential Condos	$50
All Other Properties:	
Less than $500,000	$50
Between $500,000 and $5,000,000	$10 per $100,000 of Assessed Value
Over $5,000,000	$500

with all fees refundable upon an appeal deemed successful.

13. That the Chief Administrative Officer be delegated the authority to allocate cost efficiency measures on a budget neutral basis.

14. That the Director of Legal Services and City Solicitor be requested to submit the necessary by-laws to implement the above recommendations.

15. 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.