# COUNCIL OF THE CITY OF WINNIPEG
# Tuesday, March 23, 2010

**The Council met at 9:34 a.m.**

The Clerk advised the Speaker that a quorum was present.

The Speaker called the meeting to order.

The opening prayer was read by Councillor Swandel.

## ROLL CALL

**Clerk:** Mr. Speaker, Councillor Lazarenko. His Worship, Mayor Katz. Councillors Browaty, Clement, Fielding, Gerbasi, Nordman, Orlikow, O'Shaughnessy, Pagtakhan, Smith, Steeves, Swandel, Thomas, Vandal and Wyatt.

## INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

**Mr. Speaker:** Thank you, Madam Clerk. Would you please read the meeting (inaudible). The meeting is read.

*Pursuant to Section 79(1) of The City of Winnipeg Charter, The City Clerk was directed by His Worship Mayor Katz to arrange a Special Meeting of Council on* ***Tuesday, March 23, 2010, at 9:30 a.m.*** *to consider the 2010 Operating Budget.*

## DELEGATIONS

**Mr. Speaker:** Thank you. Delegations. Andrew Weremy, President of the Winnipeg Association of Public Services in opposition to Item 1 of the Report of the Executive Policy Committee dated March 17th of 2010 regarding the 2010 Operating Budget and Financial Plan for 2011, 2012. Mr. Weremy, you have 10 minutes to make your presentation to Council.

**Andrew Weremy:** Good morning.

**Mr. Speaker:** Go ahead.

**Andrew Weremy:** Good morning. I'm Andrew Weremy, the President of the Winnipeg Association of Public Service Officers. It's my pleasure to be here to speak to you on behalf of WAPSO as you deliberate on the 2010 Operating Budget.

As political leaders you represent the collective interests of the public, the citizens, to make decisions. We represent the members of our Association and represent their collective interest. WAPSO, at WAPSO, our mission is to proactively represent our members to their employer regarding all matters of compensation, benefits, working conditions and other employment issues.

The membership of WAPSO consists of IT professionals, accountants, project planners, engineers, project coordinators at different levels of City programs. Today, our total number of WAPSO positions is 594. In previous City budgets, that has resulted in the elimination of WAPSO positions and regretfully the layoff of a significant number of people. That number of positions over the last four years has totaled 113, of which 75 people have been laid off. The significant number of these positions were deleted to meet budget reduction targets, and not as a result of service policy decisions or the elimination of programs. Although the City has maintained that services were not affected, the elimination of critical positions in Planning, Property and Development, Community Services, and other departments were, in our opinion, reductions that have affected the time lines and the quality of service delivered to the citizens.

Budget documents have referred to the elimination of many positions as efficiencies. We agree that there is always a requirement to ensure that our government operates efficiently and effectively and improvement should always be a goal. However, that process did not show or explain how the reductions resulted in a more efficient service delivery. In our opinion, efficiencies have simply become synonymous with staff reductions in downsizing. Now, we are all aware that the world has gone through a recession, a difficult recession, and that we're not out of the woods yet. We are very concerned, however, that the idea of reducing the size and incomes of public sector workers will improve the economy. We feel that eliminating jobs or reducing income only adds to our economic woes. Where do our members spend their money? Well, they spend it in their communities, in their local businesses, and our local economies. If the ability of the public sector worker to be consumers is reduced, the economy will suffer even greater.

Now, there are articles in the literature that indicate in difficult economic times that the need for quality social programs actually increases. The need for community services, recreation programs for our youth, access to libraries and other services that enhance the quality of life for our citizens becomes greater. Reducing municipal services is just not good social policy. Our members are dedicated, hard working employees, committed to providing the highest quality of public services possible. These recent reductions have seriously impacted their ability to deliver those services. Members have, in many instances, been required to absorb the work of members who have been laid off. Plain and simple, the work hasn't gone away. We understand and accept the need for Council to make difficult budget decisions. Proponents of privatization claim that the provision of essential services can be accomplished easier and more cost effective to the taxpayers by private parties. Although we strongly disagree with this claim, this is not the time or place to engage that debate. What is critical to this budget is that if Council decides to continue delivering services, then the delivery of those services should be provided with adequate levels of staffing to deliver them effectively.

To continue delivering those services while at the same time laying off people that were trained to deliver them, does not serve Council, the taxpayer or any staff in the City of Winnipeg. Our members are reporting longer hours of work and additional duties. Temporarily this may work, however, when the additional responsibilities and the volume of work settle in as the norm, a toll is taken on employee well being, morale, their overall quality of life, and their productivity. We have attached a breakdown of the positions deleted by department for your information. While every position deletion is a concern for us, we would like to draw your Council's attention to a few areas that have raised specific issues for us. Community Services has seen the greatest number of deletions. Among these are two Aquatic Coordinators. Deleting these two positions effectively removed the City's expertise regarding the safe operation and the services surrounding the delivery of aquatic programs. The City has also reduced the number of controller positions in the department from three to one. This is placing considerable strain on the remaining financial service positions. In Planning Property and Development, the City has eliminated three Senior Negotiator positions, the Supervisor of Land Acquisition, the Supervisor of Appraisal, two Senior Appraisers, an appraiser, a leasing officer and a manager of Civic Accommodations. These positions played a critical roll in ensuring that the interests of the City and the taxpayers are protected when dealing with complex property matters in which the City is consistently engaged in. Public Works is also seen a significant number of deleted positions, including a Streets Project Engineer, Transport Planning Engineer, a Process Improvement Engineer, Industrial Engineer, and a Research and Standards Engineer, and a Staff Engineer. These deletions occurred during a period in which emphasis is being placed on improving transportation infrastructure. The Process Improvement Engineer and the Industrial Engineer's roles are to find methods of improving efficiency within the Department, and yet we see that the efficiencies have resulted in the elimination of the jobs whose expertise is to improve efficiencies.

The City needs to continue to be an employer that is able to attract and hold on to experienced professionals in a number of disciplines. In order to achieve this goal, the City must be seen as an employer of choice that values its staff and creates a work environment that recognizes the valuable contribution they make in the delivery of the important services the citizens of Winnipeg deserve.

We urge Council to be cognizant of the impacts of further reducing the City's workforce in your budget deliberations. The ability of the City to deliver quality service to our citizens depends on a complete understanding of the outcome of each decision on the service and on the economy. We respectfully ask that in reviewing and passing the 2010 budget, that you ensure that the roles performed by our members are understood and that the impact of any further cuts to these professional and leadership positions are evaluated and also understood. WAPSO has worked collaboratively with City officials in the past to ensure that civic services are delivered in an effective and efficient manner. WAPSO remains committed to working together in partnership, provided we are given that opportunity.

Thank you. We are grateful to be provided this opportunity to speak before you and we wish Council well in the difficult task ahead of you in budget making.

**Mr. Speaker:** Thank you, any questions? Councillor Gerbasi, your first question.

**Councillor Gerbasi:** Thank you, Mr. Speaker and thank you very much for your very eloquent and tactful presentation. I noticed one of the job descriptions you described as being deleted was Transportation Planner and I noticed you used that word in the singular. So does that mean that we only had…we had one Transportation Planner and that that position has been deleted?

**Andrew Weremy:** That's a good question. I think this referred to a Transportation Planning Engineer. There may be other staff performing similar related roles. I don't have that exact information but we can certainly get that for you. I guess part of the point of the presentation is even though that job has been eliminated, certainly transportation planning work goes on. However, that role is now tacted on to other people's roles. So I'm…we all have transportation planning, we know what's going on in the City. It's just excessive work for others.

**Mr. Speaker:** Your second question, Councillor.

**Councillor Gerbasi:** Through the budget processes that we've been through, we've often been told, don't worry, the jobs are duplication or efficiencies and all that, but it sounds like what you're saying in here is that it's not really a matter of…it's really simply…are you saying that it's simply saving money not…and it's not really related to the kind of work in some of these cases? It sounds like some of these are specific hands-on services that professional staff are providing. Is that what you're saying?

**Andrew Weremy:** In our opinion all these jobs that have been eliminated did touch service delivery to the citizen. Some time ago we were party to the discussions of which jobs would be affected. Recently, that hasn't been the case. So we don't…we can't accurately say, was the job needed or not, and we'd like to be able to understand that. When our members come to us and say that they're working longer hours, the work is piling up. They are doing the work of two and three people, because we're not involved to a great extent, we have no way to talk to our members to support or to go to the department and ask questions. So, are they efficiencies? You know, is there truly any redundancy? We don't know. And at the same time, if there's other jobs that are being off loaded into other areas, you know, do the people have to be laid off or can the work be redirected?

**Mr. Speaker:** Your final question, Councillor.

**Councillor Gerbasi:** My last question is we also have…although you can't find it anywhere in the budget because they no longer include the numbers for our awareness, but vacancy management is also practiced so in addition to the layoffs that you're talking about, I assume the high targets for vacancy management that we have also affect the ability of our staff to complete all the work they're expected to do?

**Andrew Weremy:** We'd agree with that statement, absolutely. If you're not filling jobs, the work…in our opinion the work doesn't go away. So the work is either falling on the shoulders of other areas or other employees or programs are being delayed. But the services still continue.

**Mr. Speaker:** Councillor O'Shaughnessy your first question.

**Councillor O'Shaughnessy:** Thank you very much, Mr. Speaker. First question, how many WAPSO positions are being eliminated in the 2010 budget?

**Andrew Weremy:** That's kind of a difficult question if you…I'm sure you've spent time with the budget. It's not an easy to read to go to one line and find "x" number of positions. However, our staff, while we'd certainly…if you pointed out for us, that would be…it's quite a lengthy…our staff have gone through the budget. They've compared. It's not something you can find on page one or page "x", but our staff have gone through the analysis and it looks like we have a net reduction of 16 positions in the budget.

**Mr. Speaker:** Councillor O'Shaughnessy, your second question.

**Councillor O'Shaughnessy:** That's magic to me because we didn't lay off anybody. But you say there is a hundred from the last, I believe it's four years, 113 WAPSO positions have been eliminated. Do you know what's happened to the overall City staff in that same period? Is it reduced or is it increased?

**Andrew Weremy:** That I don't know, sir.

**Councillor O'Shaughnessy:** Okay.

**Andrew Weremy:** We represent our members and so those are the numbers.

**Councillor O'Shaughnessy:** Unfortunately or fortunately, we have represented a much larger thing. Thankfully it's a longer up by more than that in those years, but priorities do shift, I guess. The other thing, I guess just so that I won't ask a final question but just to say that we have a significant number of Transportation Planning Engineers in the City of Winnipeg. Just answer, question that came out of nowhere.

**Mr. Speaker:** Thank you, Councillor. Councillor Smith, your first question.

**Councillor Smith:** Yes. You know, you have stated that services have been cut because of lack…cuts in staff. Now, that position…says Councillors…there's some who believe that's not true. They believe that services have been maintained. Can you give us an example of a service cut through the policies of this Council?

**Andrew Weremy:** Our point is that service delivery does continue at the same level or increases. However, our staff numbers decrease. So our suggestion is if WAPSO membership is going to keep being cut, what services or what programs do you not want our people to be providing? And WAPSO… although we only right today represent 594 people, WAPSO members and the roles that they perform really cuts a wide swath across the organization, touching I would suggest the majority of all services provided to the citizens. So that's exactly our point. The service delivery is not changing. It's actually probably increasing but however, our members are having to do more work and pick up more added duties, and that's what our members are reporting to us in our feedback and the information that they provide us.

**Mr. Speaker:** Second question, Councillor? No further…Councillor Gerbasi? You're going second time around? Go ahead. First question.

**Councillor Gerbasi:** Thank you. I'm very intrigued with your comment that your staff discovered 16 positions eliminated in this budget because as you heard from just now from a member of EPC that we've all been told there is no further staff cuts. I asked those questions in the Council Seminar. So, could you let…is there any further information about those 16 positions? I believe you because this happens every…quite often that it's not that transparent but I'd love to hear the details of what…and I think all Councillors should be aware and perhaps they're not. Perhaps even members of EPC are not aware of positions that they're voting for if they vote for this budget today to eliminate. I think we need to know that information. If you have it I hope you can share it.

**Andrew Weremy:** I'll talk to our staff people that put that information together and we'll forward that on, so, and if we're wrong, that's fine we'd love to be proven wrong, but that's the analysis that our staff went through and that's what they've come up with. If…could I just address one previous question? The question that Mr. O'Shaughnessy rose and he was talking about the overall number of positions in the City. You're right sir, priorities do change. However, I am not aware of any other collective bargaining groups that don't have job protection. So, WAPSO is…we don't have that. We have the schedule that takes care of staff reductions. However, the other unions don't have that. So we've…but you have to…they have job place, job guarantee so you re-place them in the organization. We have in Water and Waste we have a lot of solid waste workers that have been down sized but we've picked them up in other areas. So they just don't outright cut them, give them a severance pay and bye bye. So…

**Mr. Speaker:** Okay, thank you. Mr. Weremy, we're…Councillor Gerbasi, you have a second question?

**Councillor Gerbasi:** I was just going to add that if you could get that information to us we're probably going to be voting on this budget in two hours and we've not yet been advised about how many jobs are eliminated on the budget we are supposed to vote on in two hours. And I guess I have to get my information from either the Union staff or the Free Press to find out what's in the budget, but if you could help me before I have to vote on this, I'd appreciate it.

**Mr. Speaker:** Thank you.

**Andrew Weremy:** Help us with the process on how to get that information that we found, we can certainly do that.

(Inaudible speaking in the background)

**Councillor Gerbasi:** I'm just…

**Mr. Speaker:** Councillors, Councillors. Any further questions? Councillor Wyatt.

**Councillor Wyatt:** You mentioned the property staff that was cut in the past, primarily regarding with the Real Estate Department. Are you aware that we as a city have now had to spend hundreds of thousands of dollars on private commissions to the real estate industry to transact real estate transactions that previously were done by the very staff that you refer to were cut?

**Andrew Weremy:** So help me understand your question. You're suggesting that those services are now contracted out? So that the services are still there? (inaudible speaking in the background) Okay. That's exactly our point then. What was being done differently when it was internal? Was it costing that much more or was it that less efficient? If it's being contracted out, we have an issue with that. There is a lot of positions that are eliminated and some of the staff are even…that did the job are hired back on a contract basis.

**Mr. Speaker:** Thank you. Question period has expired. Thank you, Andrew for appearing as a delegation. Thank you.

**Andrew Weremy:** Thank you.

**Mr. Speaker:** Executive Policy Committee, report of March 17th of 2010. Mr. Mayor.

**REPORT OF THE**
**EXECUTIVE POLICY COMMITTEE DATED MARCH 17, 2010**

**Item 1 – 2010 Operating Budget and Financial Plan for 2011 and 2012**
**eFile FE (2010)**

**Mayor Katz:** Thank you, Mr. Speaker. I intend to do a very brief introduction and then turn it over to Councillor Fielding, Chair of Finance and what I want to do, Mr. Speaker, first of all, I want to thank Councillor Fielding and members of EPC for the time, the energy and all the hard work that went into this process. We know it's a very difficult and challenging process. I also very much want to thank the people right behind me, who worked extremely hard and were very helpful in getting to where we are today. Also, once again, I want to thank Councillor Fielding for making sure that the public had significant input by holding open houses so we could have public consultation to hear from the public…I think was a very, very positive step. In addition, to thank all those delegations, Mr. Speaker, who appeared before the Standing Policy Committees to share their thoughts, their concerns, et cetera, and, Mr. Speaker, we all know that doing an Operating Budget is probably the most challenging thing that we, the elected officials, have to do every year. We all know that there is no pot of gold at the end of the rainbow. There is no blank cheque. You need to address priorities, and that's what this budget is doing. And knowing that, I will turn it over to Councillor Fielding.

**Mr. Speaker:** Councillor Fielding.

**Councillor Fielding:** Great. Thank you. Thank you Mr. Speaker. As the Mayor indicated, I'd first would like to thank all my EPC colleagues. The meetings for the budget started out way back in June when we were debating the utility side of things and we were busy trying to get our budget documents done. I'd also like to thank our public service, Mr. Glen Laubenstein, Mike Ruta. I worked closely with Mike. Mike is fantastic in terms of getting all the research and I think we worked well together as a team, as well as Jo-Anne Ferrier and Betty Holsten. So thank you very much for your help. I'd also like to thank the Mayor for his leadership on this process.

This budget is the 8th budget that this Council has dealt with and the final one before we go back to the voters. Each Chair of Finance really brings something different to the budget process and something that I'm very proud of as the Mayor indicated is bringing the public consultations process back in the equation. For the first time in close to 15 years, we had pre-budget consultations. We had two sessions in January, we were able to get feedback from the public, get a sense of where we should be going in terms of direction that is there. We had Councillors…some Councillors came out, we had public that came out that worked in small group sessions to put forth some ideas, but another item I think that was very important that we've introduced in the Capital as well as the Operating, is in terms of some of the on line stuff, the new media, if you will, that we brought into the equation. We've got the CFO's blog where people can, number one put on line questionnaires, answer questionnaires and tell us what we should be doing in the budget, as well as ongoing dialogue of questions that they have to the public. So I think it's a very important process that we go through. I'd like to see maybe an expansion of that next year. I know Councillor Gerbasi has had some good ideas of halfway through the process, kind of getting forward but I'd like to see that go forward if the voters bring me back. Hopefully, they will.

What this budget really means to me is these challenging economic times. The budget maintains or enhances core services while freezing property taxes for a 13th consecutive year. It also enhances the small business tax credit which means the small businesses can grow and prosper within our economy. It makes important investments in key strategic assets like Assiniboine Park and also puts more money in, I think, the most top issue that we're facing here, putting more police officers and first responders on the street. In my opinion, quite simply, the budget improves the lives of Winnipeggers.

When you look at property taxes, it's something that obviously gets a lot of feedback and a lot of dialogue from our citizens that…and Council. The City of Winnipeg has a record, really second to none when it comes to property taxes over the last 13 years. The main reason why I believe that it is so important to freeze property taxes is because number one it makes us more competitive as a city and number two, I think that our citizens know how to spend their money more than government. If you compare ourselves verses other jurisdictions, when you look at Vancouver where they raised their property taxes by 42% in the same period of time, Edmonton by 50%, Calgary by 42%, Saskatoon by 38% or Regina by 24%, I can tell you we're more competitive as a city and it's something that will attract people to come live here and it's going to attract people to invest in our community.

Now some people have indicated now is the time to start jacking up the taxes on our citizens and I can tell you…and I'm a realist. I do realize that at some point we are going to have to increase property taxes, because of the fact that we're so reliant on that. We need to look at other funding sources that are there. But I can tell you with the challenging

economic times right now, there is not an economist in the country that's going to suggest that raising property taxes right now makes sense for our citizens. So I think we need to maintain that and raising…I guess raiding our citizens' pockets to raise money I think is the last thing that government should take a look at. We're also incorporating $2.4 million of new development revenues from property taxes that have come on line. You look at revenues and grants from the Provincial Government. On the revenue side of things, the grants have remained fairly stagnant. I think we're around 101 or $102 million from the Federal and Provincial Governments and…which is about a 1.1 percent…$1.1 million increase from the Province. As we've talked about, I think there is probably unanimous support in this Chamber that we need to move towards more of a growth-based tax revenue that we'd have a percentage of the PST which would allow us, the City, because we're the driving force in the Manitoba economy, to grow as the economy is growing.

Business taxes, I'm also very pleased that we were able to maintain or expand the Business Tax Credit Program. Thirty six percent of businesses, the smallest businesses are 4,372 businesses will not have to pay the job-killing business tax. I think this is a very important step. Five hundred more businesses from this year as opposed to last year won't have to pay the business tax. This budget also puts more money, as I mentioned, into our top priority here at City Hall, Public Safety. We've added $18 million or $5.8 million to the budget over 2009. Since 2004 we put over 130 new officers on the street and I'm very pleased that eight new officers will join that…join the forces as well, added to the new officers on the street, the City will now have a Cadet Program where we are adding 50 cadets over the next two years to the process. I think the Mayor deserves a lot of credit for this. I think in the media and everywhere else, this project was dead and I'd like to thank the Mayor for holding the Province's feet to the fire ensuring that this happens and what the Cadet program is going to do, number one it's going to allow police to do what they should be out there doing-- catching criminals and making our community safe. The Cadet Program is going to augment the programs that are there and it's going to make a difference for people's lives in my opinion.

I'm also happy that the first responders; we've put 12 new paramedics that are on the streets, five for inter-facility transfers that are there, along with equipping all ambulances now with ALS which I think is important and it represents an important enhancement of services.

Assiniboine Park is another area that we substantially increased the budget--$3.1 million which represents about 156% increase in their budget. With the leadership of the Board and the ten year business plan that they put forward, I can tell you this is probably one of the most important decisions in my opinion this Council makes and the capital investments that we'll see, we're going to see some early progress whether be in terms of tripling the size of the Duck Pond, the Family Centre, the Natural Play Area that you're going to see bear fruit this year. The City's commitment also has fostered some development from the Provincial and the Federal level in terms of funding. It'll also bring some private sector donations into the park which I think is a very good thing. It's going to make the Assiniboine Park the crown jewel of our park system again and the national treasure that it should be.

Library hours, another area that the City improved on is in terms of expansions of library hours. Westwood, Pembina Trails as well as…Westwood, Pembina Trails and Henderson Libraries are being expanded. Now some people have argued that that money should have been put into the Millennium Park. What investing in these areas does that every quadrant of the city will now have Sunday library hours which are going to make it convenient for people to do it, so it's an important investment in our community.

On the utility side things, two major initiatives--continued expansion in terms of the rapid Implementation for Rapid Transit initiatives as well as new water treatment plants, the operating funds that are there to make our water more clean, to make our water more safe.

We're also spending more taxpayer dollars more wisely and putting some performance measurements into place. Strong financial management in 2009 have produced a $9 million surplus from last year. We've been handling your money more wisely. We are able to use $3.8 million of that to provide services and everything else that's part of the Operating Budget and there is contingency within this budget.

Two other items in terms of the service-based approach as I mentioned, the service-based budget is something we introduced a couple of years ago but with the performance measurements, I think it's important because it measures how we're doing verses other cities, so as the Government it's easy to kind of hide where your challenges are and where you are…highlight where your strengths are, but what the performance measure does, it evaluates exactly what you're doing. There's some areas, like if you look at Fire Paramedics, the City is getting a very good bang for your buck in terms of how we're spending our money. Snow removal is another area. But it also shows the good, the bad and the ugly. It shows some areas where…extension of time?

The bulbs are burnt out?

**Councillor Gerbasi:** I wasn't going to…

**Mr. Speaker:** All in favour? Contrary? Carried. Go ahead.

**Councillor Fielding:** But I'd like to say, there's also areas that we…that we also need some improvement in. An area that could be identified is in terms of some library service, the materials that are there. So it allowed us to readjust this budget and put more money into library services and materials; $92, 000 this year as well as last year.

Another area that we need to address is in terms of the amount of items that are going from our landfills into…to be recycled into…to a compost area. I think the City on that respect needs to take some strong leadership. Seventeen percent go into…from our land fills go to be recycled at some point. Other cities like Calgary, Edmonton increased it by upwards of 40, 50 percent. So once again, I think it puts some performance measurements that are in place that will allow us to grow and move as a city.

So in conclusion, the budget is something that I think will very much improve the lives of Winnipeggers. It enhances the core services for citizens while freezing property taxes allowing the citizens to have more money, to spend their money more wisely. We've got tax relief for small businesses that are going to allow them to grow and expand, as well as investing in these key areas, police, in police, more police on the streets and make our communities safer, the Cadet Program that's going to help augment the services that are there. So with that, Mr. Speaker, I will…I will leave it at that and hear comments from other Councillors and hopefully respond back in the closing. Thank you very much.

**Mr. Speaker:** Thank you, speakers. Councillor O'Shaughnessy.

**Councillor O'Shaughnessy:** Thank you, Mr. Speaker. It's a great pleasure to speak on the Operating Budget of the City of Winnipeg for the 30th and final time.

(Laughter)

**Councillor O'Shaughnessy:** More pleasure for some others than for me, probably. I've noticed that while it's not passed yet or I believe not passed yet, Calgary is in line for a 5% tax increase again this year. If that happens, as it's scheduled to, and if Surrey raises their taxes by as little as 2%, we will become the lowest taxed, municipally taxed city in Canada of all cities of any size over 100,000. That, from the Council you and I came to in '74 and unfortunately were part of building into that next to Montréal the highest taxed city in Canada, is a long way. And I think the various Councils of this city over the many years can be proud of the changes that started with the freeze under then Mayor Susan Thompson, progressed and even had reductions under former Mayor Glen Murray, and then continued to find even greater efficiencies to hold the line with you, Mr. Mayor. And I think you can be proud that you are going to be the one to bring this thing to fruition from the top to the bottom. But we've really done this all in less than 15 years and that's amazing.

I note that 83% of this budget, all but 17%, is spent on Police, Fire and Ambulance, our streets, sewer and water, our subsidy to Transit, and our recreation libraries and other recreation, 83%. And you know there may be efficiencies but there are no areas to cut in those areas heading into the future. We're dealing with a really tiny pie now and when you looked at that…the remaining 17%, 5% of it is in property and I think there's room to make the whole Property Department a break even proposition in the long run. Ten percent is an ITHR, Assessment, Legal and Corporate, and it's always an easy hit with the citizens but really, your machine falls apart without them. Council, and for some reason we lump in Audit and the Museums there, is 2%, and some will say what are the Museums because the rest isn't necessary. But everyone down deep knows they're very, very necessary and it's a very low overhead in this entire organization.

We are spending without raising taxes more than $30 million more this year than last year, and we have not hit either of our major reserves. In the recession we've been through, hopefully it's through, that's pretty amazing stuff, and it shows we've had a lot of help from our staff, from outside partners at other levels of government, and a lot of work done ourselves. To be able to come up with this without raising taxes I think is pretty amazing, and with this budget, although the Mayor has stated a goal of eliminating business tax, in a couple of short years he has reached the point where as of this year, the 36% of the smallest businesses in Winnipeg will pay no business tax this year. The ones who, I would say need it the most, have had that relief and it's a continuing effort. Mr. Mayor, I didn't think you had a hope in Hates and you're more than a third of the way home. Congratulations, well done.

We have approved more and better transit, more police officers, more Paramedics, even Fire is up. All our basic services are up. Our Capital Budget spending has just soared in recent years, and I think this Council, even those that are going to come after me and rip this budget to pieces, down deep know that we can all be very proud of the job done

here and I shall sit on the side lines and watch the miracles you folks come up with next year so that I won't have to call my Councillor and rant and rave over increased taxes. Thank you.

**Mr. Speaker:** Thank you, Councillor. Councillor Gerbasi followed by Councillor Wyatt.

**Councillor Gerbasi:** Thank you, Mr. Speaker. The annual Operating Budget contains most of the big decision that City Council will make in any given year, so as such there is always a number of very positive initiatives and activities that this budget makes possible. However, the budget also reveals what the City is not dealing with effectively and other shortcomings that are of great concern to many Winnipeggers. There are four problem areas that I'm going to be focusing on in my remarks today: financial sustainability, social sustainability, environmental sustainability, transparency and inclusion in the process.

The most obvious problem with the 2010 Operating Budget and the three year forecast is the severe lack of financial sustainability. To get down to the basics, I'm not convinced that this budget even balances. The budget includes $10 million in revenue from a lawsuit against the Province related to the gas and electricity tax. Even if you think it is right to put an additional tax on the G.S.T., how can you possibly include $10 million in the budget when the Province has made absolutely no commitment on this money? It is incredibly undiplomatic and unwise to sue the level of government that we are dependent on to fund almost everything we do over something like this. We also know that lawsuits take a long time and perhaps even years to play out, which mean that this $10 million, if it is ever realized, it will be long past due as part of balancing this budget. How does any of this make sense in terms of generally accepted principles of accounting?

I'm also appalled at the fact that this budget includes $10 million of land sales from the Land Operating Reserve. Selling land to balance the Operating Budget on such a large scale is a clear sign of desperation. It is also fiscally unsustainable and even irresponsible. It's like selling a garage to pay to keep the lights on in your house.

There are other questionable practices in this budget such as taking unused capital dollars on a much larger scale than in previous years and using them to fill in the Operating Budget gap. Again it is fiscally unsustainable to rely so heavily on one-time money. Furthermore it is a shame to be furthering away potential capital investment considering the massive infrastructure deficit we have. Those capital dollars could've been used for addressing some of the needs identified in the budget process. For example, more funding for repairing sidewalks and more investment in inner city housing redevelopment.

Freezing and cutting taxes for the first 5 or 6 years of the last 13 or 15 years we've been doing it made a lot of sense as Winnipeg was the highest taxed area, but for years now Winnipeg has been at the lower end of the scale when compared to other cities on tax rates. This Council's refusal to even have an inflationary increase for so many years has gotten to the point of being a bit of a crazy obsession. There are few municipalities across the country who are following Winnipeg's approach and that's for good reason because it's fiscally unsustainable. The reason…the result is that our city is in a massive hole that is deepening every year. The projected deficits in 2011 and 2012 are spiraling out of control. Seventy-seven million in 2011, 118 million in 2012 are the numbers listed in the three year forecast. Not a word has been said about how Council will deal with these problems. Putting off the difficult decisions until after the election is not going to make these problems disappear. What is the plan to deal with these massive shortfalls? We are approving in principle a three year plan without any explanation of how any of this is going to work. It is wrong to minimize the impact of a yearly inflationary increase. If a 2% increase is around $8 million, that builds up every year. We also know that 13 years of tax freezes and tax cuts has had an impact on service even if you can't figure it out from the way the budget is written, it's there. The budget document won't tell you the rates of vacancy management or staff reductions, so you have to be Sherlock Holmes or a member of CSIS to figure out what's really happening. The gutting of mid-level staff has been so severe, there is little work being done on policy and we heard the excellent presentation from WAPSO reinforcing the comments I was planning to make. Staff are simply reacting from crisis to crisis and people are burning out. In some cases one person is doing the work of what 3 or 4 people used to do. With the exception of the OurWinnipeg process, policy work and planning are rarely done at all. Even OurWinnipeg, our 25 year plan, is being rushed through in one year which is completely an inadequate time to do a huge city plan. Such a huge planning exercise should take normally 2 or 3 years to complete, and as a result, the planning work will be incomplete and unfortunately, somewhat disappointing and this is not our staff's fault. City Council has set up the staff to fail by expecting miracles while under investing to the extreme. For years, this Council has frozen the investment in the Winnipeg Housing and Homelessness Initiative of $1 million. Like every form of construction, building housing units is more expensive each year, yet the City's investment shrinks each year due to inflation. Many neighbourhoods remain without support. Please spare me the tired phrase that housing is now a line item in the budget. If you would invest more in the housing improvement zones I can care less where you put it, just put it in there, just show us the money. This investment is well spent and pays us back in spades in increased assessment values, neighbourhood safety and quality of life, yet the cupboard is bare for things like investment in inner city housing. While a few suburban libraries will

be open on Sundays, and I agree that's a positive move, Winnipeg continues the race to the bottom when compared to other cities in terms of materials, circulation and staffing of our libraries; in particular we're at the absolute bottom.

We also own the bottom of the barrel when it comes to the lack of adequate staffing of our Planning Department. It is outrageous that secondary planning priorities that were voted on by Council in 2006 are sitting on a shelf even after communities such as the Corydon area were told that the planning was going to happen. The pre-planning work in the Corydon area, just to give an example, whet the appetite and showed the need for a neighbourhood plan. That was the conclusion and that…and those studies are gathering dust because we don't have the resources to do the work, and don't tell me that this budget has no negative impact on core services. I don't know how to explain this to the people in the Corydon area that their plan is not coming forward. Well, I guess their taxes are frozen. I guess I can tell them that.

Lip service is being paid to environmental sustainability but unfortunately this budget falls short there too. Once again, this Council is avoiding the reality that using the chemical Dursban for mosquito larviciding is about to become impossible because the Federal Government is banning it. Isn't it obvious that if they're banning it, it means that Dursban is bad for our health and the environment? Yet to save money, Council continues to use this chemical for the majority of our larviciding rather than investing money to switch to an environmentally acceptable biological agent. The change will be forced upon us by the Federal Government in the next year or so, but until then this Council will continue to follow the cheapest route possible. Like so many problems, rather than facing and addressing the challenges, the mantra is refer it to the 2011 budget process. This budget…

**Mr. Speaker:** Councillor Orlikow moves extension of two minutes. All in favour? Contrary? Carried.

**Councillor Gerbasi:** This budget is being presented as once again pulling a rabbit out of a hat and addressing painlessly the City's financial needs. However it is far from painless. Last year, a lot less summer students were hired by the Public Works Department to maintain our parks. Well the budget document is not transparent about this sort of information. I would guess we can expect the same this year.

User fees are on the rise. In the case of ambulance fees the increase is dramatic and Councillor Steeves, not everyone has insurance. Other increases including transit fares are now being automatically raised without any public discussion or debate due to the change in the process. So, people are paying with their pocket books in…they're just paying in a different way. The long term pain that will come from this budget is what really concerns me though. Future Councils will be in a financial hole that will be very difficult to get out of. It is tempting to embrace the old “see no evil, hear no evil” strategy until after the October election is over, which is what we are being asked to do. However, that is simply not the right thing to do. The budget…and I just wanted to comment briefly on the process, there were some minor improvements in that there were some focus groups with the public and that the process was a little bit longer, so I give credit for that, however, there is still some serious problems with our budget process. The service based format of the budget is much less transparent when it comes down to being able to figure out what the budget…what is really in there compared to how it was a few years ago. Even two years ago, vacancy management targets and specific staff reductions were included written right there for you to see. Providing less information does not make for a more transparent process. And also the practice of excluding non-EPC members of Council from the budget process continues unchanged. EPC started working on this in June. The rest of members of Council…I was elected by 45,000 people…I heard about this document the same day the media heard about it, about what was in it.

And in conclusion I wanted to say that we need to change our governance structure so that all members of Council can participate. This is not how many other City Councils across the country do their budget process and it's very undemocratic. So unfortunately, I will not be able to support this budget for the following reasons. It lacks fiscal, social, environmental sustainability, as well as transparency and inclusion. Thank you Mr. Speaker.

**Mr. Speaker:** Thank you, Councillor. Thank you Councillor. Councillor Wyatt.

**Councillor Wyatt:** Mr. Speaker. I just want to rise to…I’m not speaking at this point. I just want to move that in light of the fact this is a significant, one of the most significant things we do in the year, if not the most significant issue we deal with, I think Councillors would probably like more than 10 minutes to speak to a certain item. I'm going to move that we go into Committee of the Whole. I realize that members…some members of Council might think that that is not necessary but I can appreciate…I hope they can appreciate the fact that this would allow us to have a discussion about the budget rather than just simply arguments back and forth and making speeches. We can actually have an actual discussion. So…

**Mr. Speaker:** Thank you, Councillor.

**Councillor Wyatt:** I'm going to encourage Members of Council to support the Motion. I'm moving that we go into Committee of the Whole Mr. Speaker.

**Mr. Speaker:** You heard the Motion, Councillors. Recorded vote has been called for. Councillor Gerbasi has called for recorded vote. All in favour, going to Committee of the Whole, please rise.

**A RECORDED VOTE** was taken the result being as follows:

**Yeas**

Councillors Gerbasi, Orlikow, Smith, Thomas, Vandal, Wyatt.

**Nays**

His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Nordman, O'Shaughnessy, Pagtakhan, Steeves, Swandel and Mr. Speaker, Councillor Lazarenko.

**City Clerk:** The vote Mr. Speaker, Yeas 6, Nays 10.

**Mr. Speaker:** It's lost. Councillor Wyatt, you want to continue?

**Councillor Wyatt:** No.

**Mr. Speaker:** Okay, Councillor Thomas, you've got the floor.

**Councillor Thomas:** Good morning, Mr. Speaker. I rise to give this budget a double D minus rating and the two D's are deception and delusion. The deception is that the budget is balanced. It is not. Reserves have been raided and in some cases even eliminated in order that revenues match the expenditures. But any first year business student knows you do not use one time revenues to cover ongoing operations. All you have done is moved the problem to next year and created a bigger hole in so doing, because you have not only must find the budget for ongoing operations that are funded from the one time revenue, you have left yourself with no flexibility within your reserves when you must fund the maintenance which was supposed to be managed by the reserve itself, the reserve which has been eliminated or reduced in the previous year.

The second D in my double D minus rating is that of delusion. The Provincial Government has been quite generous with all of us over the years. It has been responsible for over 12% of our operational budget for many years. It is delusional in terms of this restraint to assume without negotiation that they're willing to give up a 12% increase in our revenue demands because there is a difference of opinion on how they collected and dispersed the City's share of hydro revenue. This budget not only assumes the City's calculations are correct, it assumes it will get all that revenue now, in one year, in one lump sum, when the Province and all of us have been struggling through tough economic times. Even if the City wins the argument with them and they may wish to pay this sum over time, that will mean that the assumption that all the money that the City feels is due, may not come in one year but it may be dispersed over 5 or even 10 years. And finally, at this point, while the accumulated discrepancy may be the amount of $11 million, the amount going forward is nowhere near that, leaving the City again in an operational hole for 2011 and beyond because one time revenue has been used for ongoing operational expenditures. This is not a plan, this is a delusion. This is even more dastardly tactic because there is a municipal election this fall and a new Council struggling to learn the ropes will find themselves in a $20 million plus shortfall in their revenue stream because of the shell game tactics of this double D minus budget.

Let us put this budget aside. We have one week to present the Provincial Government with a sensible budget rather than one filled with deception and delusion. Let's send this budget back to the pipe dream from which it emerged and present the Province with a budget that merits consideration. Mr. Speaker, this is not it. Thank you.

**Mr. Speaker:** No further speakers? Councillor Wyatt.

**Councillor Wyatt:** Thank you, Mr. Speaker. In light of the fact that we don't want to encourage debate or discussion on this floor, you know I have to keep my comments to the 10 minutes provided. Mr. Speaker, the reality is this budget is very disappointing opportunity. It clearly is a lost opportunity and I want to preface my comment by first of all saying, Mr. Speaker, that to the staff who work extremely hard on this budget, my comments that I'm making today are clearly not driven at them. I know they do their job, they come forward and give options to the elected officials to present different ideas in terms of dealing with the budget and at the end of the day, it's the elected officials who make the decisions. And

those are what these…my comments today are geared towards those decisions that are made not towards the hard work done by our staff. I've been behind the scenes and I've seen that work and appreciate it very much.

Mr. Speaker, if this budget were a piece of cheese, it would be Swiss. It's full of holes. The reality is, Mr. Speaker, that we have a zero at any cost budget here. Zero at any cost, $10.6 million from Hydro. That's like going out, Mr. Speaker and buying a lottery ticket to be able to feed your family for one month to buy the groceries. That's the same idea, Mr. Speaker, $6.4 million from our frontage levy, Mr. Speaker, from frontage levies collected from others to now go into other forms of infrastructure. Ten million dollars land operating reserve from the sale of land. You can only sell land once, Mr. Speaker, one time gain, and $7 million being taken out from past Capital Budgets, Mr. Speaker. Past Capital Budgets where this Council stood up and said we're committing to spending that money on this and this and this in terms of renewing and rebuilding the City and that money is now being taken out to balance a one year budget.

Short-term, Mr. Speaker. Short-term. A selfish document if anyone has ever seen one. Mr. Speaker, if the budget were a boat, you would never sail it. You've heard of the HMCS Winnipeg, Mr. Speaker. Well, this is the HMCS Katz, with Captain Katz and his First Officer Fielding at the deck. Mr. Speaker, you wouldn't take this thing on a creek never mind try to sail it on the Seven Seas, Mr. Speaker. This isn't an iron clad frigate like the HMCS Winnipeg. This is more like a bathtub with a broom stick as a sail. I've never seen anything quite like this, Mr. Speaker. Let me get into a bit of detail here in terms of the shortfall that we're leaving for the future Council and why it's so selfish. Why, Mr. Speaker, this budget leaves the future Council with very few options, with very few options, Mr. Speaker, other than to probably cut services and raise taxes if not both. And it's being done, Mr. Speaker, I fear because of the fact that there is an election before us today and therefore it's zero at any cost. Last year we took $2 million out of past capital, Mr. Speaker. These are monies that were previously announced to capital budgets. This year, Mr. Speaker, $7 million from past capital budgets. A total of $9 million in two years Mr. Speaker. What is it going to be next year, Mr. Speaker, $14 million being taken out of past capital budgets? May I remind this Council that we make commitments to other levels of government who are giving us money such as gas tax money that we would not take the money in the front door, Mr. Speaker, and then quietly put it out the back door for political gain, the balance of budget, that's exactly what is happening here today, Mr. Speaker. Let the Federal Government know, Mr. Speaker, what we're doing. Let the Province know what we're doing. We are jeopardizing that funding. Five million dollars last year, a little bit over five million from Land Operating Reserve, Mr. Speaker. This year another $10 million. This is money taken from the sale of land. Well, Mr. Speaker, last time I checked you can only sell land once. It's being invested into infrastructure, it's not being invested into items which may last 20 or 30 or 40 years like buildings or sidewalks. No, it's being invested, Mr. Speaker, just to balance the budget. Fifteen million dollars, Mr. Speaker, in the last two years and what is it going to be next year, $20 million out of the Land Operating Reserve?

As well now Mr. Speaker, it's been referred to Hydro, $10.6 million is being predicted from Hydro. We're suing Hydro. We're suing the Province and I hope we win. We'd better win because it's in the budget, but Mr. Speaker the irony is that $10.6 million. That's over the last 10 years based on an assumption made which Hydro simply took from us because when we owned Winnipeg Hydro we were applying the tax the same way, but yet we now say this was wrong so we should have these revenues. Fine, Mr. Speaker, but that $10.6 million is equivalent of all the last 10 years. What is it on an annual basis, one million? Maybe a bit more, maybe a bit less, $9 million shortfall to the next year, Mr. Speaker, so who are we going to sue next year, Mr. Speaker? Are we going to sue MPI next year? Which Government Crown Corporation are we suing next year? Maybe the Workers Compensation Board for $20 million?

Mr. Speaker, short-term decisions just to get by the budget and $6.4 million from a frontage levy, Mr. Speaker. Now it's been argued that that is fine within the Charter, that we can do that, but if you read the Charter carefully, the frontage levy clause, lines in the Charter are very clear. The idea is you pay for a frontage levy to get a service, not to take the money and put it in over here, and that's exactly what this budget is doing, Mr. Speaker, 6.4 million. If you're a true fiscal conservative, you've collected too much money, you should be giving it back to the people not move it around on them. That's not what it was all about. That the whole frontage levy idea, Mr. Speaker, was to fund what it was for.

Zero at any cost, Mr. Speaker. Now, I'd like to thank EPC and the Mayor for putting in the money for the Cadets. I think that was a wise move. It was unfortunate, took a little Councillor from Transcona to write the Motion to guilt them into doing it but nevertheless they did the right thing. They did the right thing, Mr. Speaker, to get to make that happen. They did the right thing Mr. Speaker, to make that happen, and it was a good Motion and I want to thank the members of the Standing Committee of Protection and Community Services including the Chair for supporting that Motion. It was for 50 more cadets. Well we're getting 50 cadets, we're going to have to wait till next January for the whole 50 complement but hey, that's great. I'm glad that EPC has reacted to that Motion and has adopted it and moved in principle in that direction. I want to thank them for that.

Mr. Speaker, the fact of the matter is, this is zero at any cost, without any vision, but that should not surprise us because we don't have a strategic plan as a Council. We don't know where we're going as a Council so why should we expect to

have any vision in our budget to say this is where we're going. Our infrastructure is crumbling at a huge rate. It was said, Mr. Speaker, that we should have great pride, that we will have now the lowest taxes in all of Canada. I guess we're out to beat Wal-mart now, Mr. Speaker, the lowest taxes in the land, the lowest prices (inaudible). The lowest taxes in the land. I don't know how much pride is there to be said in that Mr. Speaker, when only you have to walk out to the street right here out of City Hall and literally you can pick bricks up from our own sidewalks, crumbling infrastructure. Community centres crumbling. Oh sure we're announcing some community centres, one in Southdale, because that's where the Premier wanted it…

**Mr. Speaker:** Councillor Steeves moves extension of two minutes. All in favour? Contrary? Carried.

**Councillor Wyatt:** …and a couple out in Westwood to pay for the Federal Conservatives, you know, but the rest of the community clubs and our recreational facilities, our swimming pools, the infrastructure is crumbling, Mr. Speaker, at a faster and faster rate especially now that we're taking more money out of capital, doing exactly the opposite of what previous recommendations that everybody knows on this Council were made by previous reports.

Furthermore, Mr. Speaker, the actual services of our city, when it comes to the services we provide are being neglected. We know we have a huge financial crunch facing us, not just today but into the future. I appreciate the skirmishes the Mayor has had with the Premier and I call them skirmishes because 40,000 here and 500,000 there. Where is the battle? The Premier is sleepwalking, Mr. Speaker. He still thinks he is Chair of Finance here at City Hall but he is not. We need to raise the issue. We literally need millions to start addressing the state of our city. But we lose credibility, Mr. Speaker, as long as we go down the road we're freezing taxes again, we're freezing taxes. Mr. Speaker, the solution, we need other levels of government, we need other revenues but we also need to look after our own finances. We do need to raise taxes, we know that, Mr. Speaker. I think everybody around this table has either privately or publicly said that so why aren't we doing it? Our electorate is looking to us for leadership not to follow but to lead, and with the decline of the infrastructure of the City and with the lack of vision presented in this budget, Mr. Speaker, it might surprise you but I won't be voting for it. But…and with some of the poorest neighbourhoods in Canada not social issues not being addressed, Mr. Speaker, we need to revisit this budget. This is not the direction we should be going in just because of an election. It's short-sighted. It's ill thought out. No consultation with non-members of EPC. It was good that there were consultations with members of the public. Of course the budget was pretty well written by the time those consultations took place but it was a step in the right direction and I want to just…I know I'm running out of time. I just want to say one other thing, Mr. Speaker and I'd like to just say that it was the first time I attended Protection and Community Services, P and D, Public Works, and the Chair of Finance was at every meeting following up. Leadership is not just about talking, it's also about listening to give credit where credit is due. It was impressive to see him at every committee. Thanks, Mr. Speaker.

**Mr. Speaker:** Thank you, Councillor Wyatt. Councillor Steeves.

**Councillor Steeves:** Thank you, Mr. Speaker. I'll begin by thanking our Administration. Although they won't have a chance to speak again at this budget meeting, I can tell by their smiling eyes if they could, they would say what a joy it was to work with us on this budget process. People do not realize the time that they spend, Jo-Anne, Betty and Mike and all the folks that work with them and getting us to this point. I want to specifically thank our friend, Councillor Fielding who I think has done a wonderful job in bringing this budget forward in his first effort. It's…I thought the consultation process was very well received. I thought it was a step in the right direction, probably a little bit overdue. The Councillor has made me mad on a couple of issues lately but I'm choosing to forgive him, Mr. Speaker, because of his good work on the budget.

I specifically want to thank most heartily the people of the City of Winnipeg for the money that they are entrusting to us to do the job that we feel that we have to do on their behalf. We shouldn't forget that this money is not ours. We should not forget that this money comes from hard working people in our community, who run businesses, own homes and pay out of their own pocket to deliver the services to the collective. That's important and I think sometimes sitting around this table some of us forget that--that there are actual human beings out there that each day get up and try to make this money so that we can spend it on their behalf. It's a big job.

Not all of us agree on philosophy when it comes to taxation. I also want to remind people that even though we've heard a lot about how we need to increase taxation, how we need to spend more and more and more, we have to remember there is another side out there. We have to remember there is a private sector where people are running private businesses, trying to make a go of it. And if we're going to be honest in this Chamber today and I hope we will, we have to remember that the working poor in this city, Mr. Speaker, are who? The working poor are almost exclusively associated with small business in the private sector. We all know that. The working poor are people who work in small businesses. They are often people who own small businesses. They live in condominiums and they live in rental units

and live in small homes. We have to remember these people when we're doing these sorts of things. We're talking about the budget like there is unlimited funding. There is not.

The Operating Budget this year will show an increase of approximately 4% over last year in terms of monies. Inflation this year was 0.5 of 1%. The increase in the money that we are spending over last year is going to be on the operating side alone, 8 times that of inflation. If you understand what inflation means, a CPI index, it means that on average people out there are earning 0.5 of 1 percent more. Again, this budget will increase revenue by 8 times that. Think of that when you're arguing for higher and higher taxation. It's important to remember. From '01 to today, our Operating Budget has increased 26%. From '01 to '09 our Capital Budget has increased 253%. I apologize for these numbers but I don't make them up. These are facts. If you have a calculator you could do these calculations yourself. All you have to do is get the budget books and look at the number and then get the other budget books and look at that number and then punch the numbers into your calculator and the number will come up on the calculator screen. Two hundred and fifty three percent over the course of the last 8, 9 years on the capital side, 26% on the operating side. Again, this year, the CPI index will show an increase of half of 1%. Is it true that we are lagging so far behind of what people's expectations are that we spend on their behalf or is that a bit of a myth, Mr. Speaker? I'm not sure. I guess that's a matter of opinion. But I don't see how you could take these numbers that I've just given you, and say that, that we're spending radically too small an amount. Don't follow that logic.

If we compare ourselves to our friendly cities across the west, Saskatoon, Calgary, Vancouver and Edmonton, if we had done what they have done over the course of the last ten years, if you're a person who is paying $2,000 in tax which many people in our city do. If we'd done what Saskatoon had done this year, you'd be paying us an additional $740. If we'd done what Calgary had done, you'd be paying us an additional $840. If we'd done what Vancouver had done, you'd be paying us an additional $880. If we'd done what Edmonton had done over the last ten years, you'd be paying us an additional $1,000. What effect would that have on our economy? How would that affect small businesses in your neighbourhood? How would that affect your average family's ability to go out on a Friday night for a pizza or a movie or something like that? I'm not saying the money that we raise isn't used. It's not valuable to us. I'm not saying we don't have an obligation to provide certain services but remember that for heaven's sakes, Mr. Speaker, remember that. We're not talking about some amorphous beast out there that doesn't have a face or a name. They do. In fact, not only do they have faces and names, they have kids, they have medical problems. They have schools that they have to pay for.

FCM, we've always said, yeah, we only get 8% of the tax rolls and we all know that. We all understand that. The other thing we said in the same breath, that is printed FCM policy is that we do not support as municipalities the increase of the overall tax burden on citizens. Last 5 years, the Province of Manitoba has seen a $1.1 billion increase in their transfer category. From '06 to '09, they have seen an increase from $90 million to $386 million in transfer payments in the infrastructure category alone. From '06 to '10 the bald equalization category has gone up $400 million, Councillor Thomas? Hast thoust done thy research? Talk about generosity to the City? We are two-thirds of this Province's population. We're talking about increases in the range of 300%, Mr. Speaker, coming as bald unfettered payments from the Federal Government. Other citizens that live in this country, to suggest that we have seen that largess to the extent that we ought to have is folly and it is done again without the assistance of a calculator, I can assure you of that, Mr. Speaker. Is our Police Service not strong? Is our Fire Paramedic Service not strong? Sure, we're going to debate the quality of our infrastructure but there's no doubt that the amounts we've increased have been strong. It's moving up to 300% of the course of the last year.

**Mr. Speaker:** Councillor Swandel moves extension of two minutes. All in favour? Contrary? Carried.

**Councillor Steeves:** The prospect of good budgeting, Mr. Speaker, is the idea of not being lazy. It's the idea of picking up the books and going through things category by category and figuring out what you can do better, not because you want to be mean but because you want to use the resources as efficiently as possible and if possible, give the working guys and gals out there a bit of a break if you can. Not because we're Santa Claus but because we want them to be able to spend their money in the local marketplace and support the businesses that do what? That pay taxes to allow us to do what we're doing. I have heard not a single suggestion of course naturally from our colleagues on how to make this budget better. Councillor Wyatt, to his credit, put a motion on the floor at some stage in this process saying let's raise taxes 2% but in the same breath he said let's take that 2% and move it straight to the Capital Budget. Well, dilly. That's wonderful. Where does that leave us? Exactly the same spot. I wager, I will finish off this debate and not hear a single suggestion about how we can raise more money on the operating side. I will, however, hear complaints. I will, however, hear calls for filibuster, et cetera, et cetera. I put all of these questions to the Premier candidates, Ashton and Selinger, on the idea of increasing revenue to the City of Winnipeg. Issues like the school tax, issues like the sales tax, municipal revenue, those type of growth revenues. When was that race for Premier for Mr. Ashton and Mr. Selinger because I'm still waiting for a reply? I even did it--Mr. Ashton the courtesy of giving a copy of the letter to his campaign manager with whom I share an office. Thank you, Mr. Speaker.

**Mr. Speaker:** Councillor Swandel.

**Councillor Swandel:** Thank you, Mr. Speaker. Let me start by saying what we're doing here today or what we do with all these budget processes is basically budget…our decision by committee. When you're doing decision by committee you can't expect to get everybody's approval, but you would certainly expect that people would come forward in good faith and make legitimate arguments. It never ceases to amaze me how we've all been here for quite a number of years, maybe with the exception of Councillor Orlikow, but we still present this sort of ignorance, budget ignorance, when we get up and we debate. You know people talk about…you know, one good comment that I've heard today came out of Councillor Gerbasi and that's sort of the going forward. We need to do a better…have better vision and better plan looking forward, but what you're hearing around the table here, there's a lot of ignorance in it because what people don't talk to you about, they don't talk to you about what expenses were in last year's budget that aren't in this year's budget. Where do you find this room? Well, last year we had 20 temporary firefighters, you'll recall. Councillor Wyatt didn't want a road blocked by a train, you know, one or two times a month so we had to create a temporary fire station out in the east end of the city. Twenty firefighters, I think they…the cost was about totally funded by the Province but the number was in the budget, Councillor Wyatt. You are correct but that's where you've got to look at these. You can't have budget ignorance.

Mr. Speaker, this is exactly what I mean by budget ignorance. The money was in the budget. It's not required to be in there this year. We had money in there from the Province last year for Plan Winnipeg. We had additional City monies in there last year for Plan Winnipeg. In our budget last year we had a surplus of $9.2 million or so. Surplus of $9.2 million last year. We're not talking about that when we're saying where is this money coming from? We're also not talking about the approximately $4 to 5 million that we spent last year fighting a flood and all the plugged culverts and issues that we had of overland flooding and land drainage issues last year. You don't hear our colleagues that choose to be opposition for the sake of being opposition. Choose to participate in portraying budget ignorance. You don't hear them talking about these things. You hear them screaming about old capital dollars being used to offset a tax increase.

What's wrong with using old capital dollars to offset a tax increase? It's long been a practice where we've had monies that have been sitting in the wrong place, not being put to work for value for the citizens of Winnipeg that we would take them and we would use them to offset a tax increase. We actually started a process a couple of years ago where we were going to look at how we were spending our capital dollars and we made a decision as a Council to free those old capital dollars up rather than sitting…letting them sit there losing value and losing opportunity for the City of Winnipeg. Why wouldn't we take that wasteful erosion of dollar value and put it to work to offset a tax increase for the citizens of the City of Winnipeg? And where else do we find monies? Well, people talk about all these efficiencies and it's affecting service. I read the service-based budget. It was an approach that people applauded when it first came forward. Everybody I think unanimously applauded the service based approach. We can still see that services are being delivered. Not only are they being delivered Mr. Speaker, but in this city, this city in Canada that has among the lowest taxes in the country, we have some of the highest levels of services and the highest levels of service in the areas that matter most. In security, citizen safety, in policing and fire, in looking after our roads to make sure that they're going out. We spend more per capita than almost any other city in the country.

In snow clearing, we have, bar none, the best snow clearing of any city in North America. Nobody does it better and nobody does it for better value than the City of Winnipeg. Where might we find it in the future? Well, you know one of my pet peeves looking at our budgets going as we've gone along is the cost that it costs us to be in our buildings, our civic accommodations in building services cost. There's something that isn't right when you look at the amount of square feet that we have and the cost of maintaining that square footage and owning that square footage. There's something that's not right there, Mr. Speaker. I can't give an answer today but that's somewhere where we might find some value for our citizens in the future. And we also, if we are to get a little smarter and be looking further down the road, you can see $45 million sitting out there, Mr. Speaker, in the years 2013 to 2017 when all that old debt, when our colleagues, little Councillor O'Shaughnessy, Councillor Clement, fought hard to stop to have the City do any new borrowing, all that old debt drops off in those years. The annual cost to servicing that debt is between 40 and 45 million dollars, Mr. Speaker. That's opportunity for value where you don't need to raise taxes. You don't need to participate in budget ignorance. You can find money, you can find value and you can find ways to make Winnipeg to be one of the best, most affordable cities in the country.

I guess in closing, I'd just like to say that going forward, we need to start looking at a ten year plan. A look at how are we going to manage and yes we have to at some point say you know, maybe next year you'll need a 2.5% tax increase and maybe in year 3, you need a 2.5 and you know, in year 7. That's not going to solve your infrastructure problems, Mr. Speaker. You know, 2.5% increase might get you $10 million. Well, $10 million when it comes to…I don't know what the latest numbers are. They're anywhere from 3 billion to 5 billion to 4, you know, it jumps up and down all over the place, but you know, in the billions of dollars, Mr. Speaker. Those types of increases will help us maintain a safe and affordable city for the citizens of Winnipeg, and we have to look at that. We have to do it in a big plan, a long term plan. We know

that we still have to deal with the pension issue that's going to walk us out into the 5 to 10 year range but that cost will drop off too as these equity markets come back up and we're starting to see that happen already. So there is value for citizens in this budget, there is service maintained and in some cases enhanced and unfortunately, there still is some budget ignorance around this table. Thank you, Mr. Speaker.

**Mr. Speaker:** Mayor Katz.

**Mayor Katz:** Thank you, Mr. Speaker. I think there is very little doubt, Mr. Speaker, that there is no day that we probably enjoy more as a Council than debating the Operating Budget and spending some quality time with our colleagues.

Mr. Speaker, first of all on the record I'd like you to be aware of the fact that over 20 years ago, I started a comedy club called Rumors Comedy Club, and we had some very fine comedians but after today's performance, I welcome Councillor Wyatt to please come and perform because that was one of the best I've ever seen. Although I do believe a little fine tuning could be taken care of there.

Mr. Speaker, this is important for all of us. This is important for all the citizens of Winnipeg, and as I said earlier, it's not an easy job creating the budget because we all know there's no such thing as a perfect budget, but let's talk about some facts here. You've heard people refer to services, cutting services, and I can tell you, Mr. Speaker, when I was elected Mayor and I joined this Council, we were basically cutting grass every 12 to 14 days. We were pruning trees every 42 years. So it's like something real. We know those to be facts and I think even Councillor Harvey Smith will agree we are dealing with those issues and services are much better than they were before and we still have been able to hold the line on property taxes. Those are real, Mr. Speaker, they are not fictitious.

Mr. Speaker, one of the disappointing things I've heard here today, and I'm really surprised, because I'd like to believe that every Councillor maintains an open mind and always is objective and always listens. But we have a group of people headed by Deepak Joshi who are working on OurWinnipeg, a plan funded jointly by the City and the Province, and I'm very disappointed to hear Councillor Gerbasi already make up her mind before being presented with anything that is going to be a terrible plan. I don't consider that to be objectivity, okay? But let's talk about some of the real issues that have been raised by a few Councillors here today.

They raised the issue of frontage levies, okay? What Councillor Wyatt forgot to mention is that he actually made a request from the City Auditor who just recently, we made a change in reports to Council, and the City Auditor responded that it's absolutely normal and appropriate. He also asked the question about Hydro situation. So let me say a few facts, Mr. Speaker, it specifically says okay, "Section 285 requires that the Operating Budget include estimates for all revenues and expenditures. There is an element of risk associated with many estimates such as the estimate for snow clearing expenditures." Mr. Speaker, it's a budget. We always know there is risk. We also know the money is owing. It wasn't Councillor Wyatt who woke up in the middle of the night and said let's do an audit. An audit was done randomly. This money is owing, and if you think for a moment it's not then why, why would the Province even consider changing legislation and making it retroactive? Why would Hydro even put a settlement on the table? Everybody knows the money is owing, Mr. Speaker. There's a question of how much will be collected, absolutely, but don't for a moment believe that it's not owing. And, Mr. Speaker, there was also the question asked about the use of tax supported capital surplus to reduce debt. Once again the Auditor said that is normal procedure. There's nothing wrong with any of this, Mr. Speaker. You may not like it. We talk about using one time money on a regular basis. It's done many times in the past. It will be done many times in the future. But Mr. Speaker, what this is all about is getting a budget that makes sense and addressing the issues. Is there a better Police Department in Canada? I don't think so. For the record once again, Mr. Speaker, Winnipeg, Manitoba has more police officers than any other city per capita in all of Canada, side by side with Montréal. We're at the top. One of the top issues for our citizens, Mr. Speaker, is public safety. Is there a better Fire, Paramedic outfit in Canada? I don't think so, Mr. Speaker. We've done things that other cities look at and envy. We're trying to address all of the issues. Are we facing problems? Absolutely.

But, Mr. Speaker, the biggest problem we face right now is our infrastructure. And the figure is approximately three point billion dollars today to address our existing. Forget about to keep it current. It was Councillor Wyatt who led the charge at AMM to have the other level of government come to the table. I'm sure he remembers it and I certainly hope he will continue to do that and I know he will because he believes in something and he will fight for that just like we will continue to fight for it. Does it happen overnight? No, Mr. Speaker, but I think what I need to do today is thank Councillor Wyatt. I want to thank him for his Motion, okay, on Police Cadets, which as he so eloquently stated, accomplished the goal. I also want to thank him for inventing fire, penicillin and everything else that has made this country a great place to live in. He's a wonderful, creative human being and when you need to give thanks I have no problem doing it publicly Mr. Speaker.

Mr. Speaker, one day in the near future we will hopefully see a scenario whereby Council unanimously approves a budget. It has happened, maybe it will happen again. But you know you cannot address every single concern of every Councillor. You know, Councillor Smith and I always talk about back lanes. Would I like to see more money in back lanes? Yes. Sidewalks? Yes. Roads? Yes. Bridges? Yes. More community centres? Yes, and I can go on and on, but unfortunately we only have “x” amount of dollars and that's what we deal with, Mr. Speaker.

I want to thank Councillor Fielding. He’s Yeoman's work, absolutely Yeoman’s work, and I also want to remind all Councillors if they ever have a concern or a question, they can always talk to yours truly. Not one Councillor who’s disappointed with the process has ever come to see me and it’s interesting the ones that did complain never even showed up at what they considered to be the most important element, public consultation. Mr. Speaker, I will be supporting this budget and I want to thank everybody else who supports it. I would like it to be unanimous. It's obviously it will not be that case and it’s quite apparent to me that is. The good Councillor walked in and said "I smell unanimous”. He smelled something else. Thank you, very much.

**Mr. Speaker:** Councillor Browaty.

**Councillor Browaty:** Thank you very much, Mr. Speaker. I'll keep my comments relatively brief today but I certainly do have some comments that I do want to put on today’s record here. I think today, I think this budget before us here today…and I’d like to start off by saying what a wonderful job my colleague and friend Councillor Fielding put together as well as the City Administration. This document is a bible and I think the service based view provides a lot of great metrics for us to look at in terms of comparing ourselves to other jurisdictions, being able to say, hey, you know we can start drilling and asking questions like why is you know, our library holding so low, or why are we so great at minimizing costs in solid waste management? Things like that we can go in, we can drill in, we can get a lot of great information. So I thank them first of all for their work.

I think there’s a lot of priority here still placed on the 3Ps. Not P3s but 3Ps--pipes, pavement and policing. Our policing as Mayor Katz just pointed out, we are absolutely top shelf in terms of number of officers and I’m ecstatic to see that the program with Police Cadets is moving forward. I think that's a huge, a huge thing. There’s still obviously more work to do. Simple things where we need to look at policies, not necessarily huge expenditures, things like gravel back lanes. I've brought this up many a time, there are some places where, due to front driveways, we're never going to get local improvements to do paved surfaces. We’ve got to look at things like back lanes. Sidewalks, we need to work harder both in terms of snow removal and repairing sidewalks in areas where there is the greatest need, areas where there’s high density of population, where there’s lots of seniors. Those are areas that I think we need to a better job on still. That said I think it's a balanced approach. It’s…in times of economic hardship, raising taxes is not the way to go in my opinion and that's what we’ll do here.

My good colleague from Transcona brings up, you know, we don't want to have a race to the bottom, we don’t want to be the Walmart of cities. Well, you know what? Walmart does a lot of things very well. Their current slogan I think is very apt--Save Money, Live Better. We’re able to provide citizens of our city better services at a lower cost for 13 years now. Freezing or lowering property taxes has given citizens the opportunity to do more with their own money, and I think that's exactly what we need to be doing as the City.

So again, I just want to compliment everybody on the financial team in the background, EPC for everything that's been done here. I will be supporting today’s budget. There’s more we can do. We need to continue focusing on new priorities while re-evaluating programs that you know, supposed “sacred cows” that no longer make sense but providing better services to all of our citizens all the time. Thank you.

**Mr. Speaker:** Councillor Clement.

**Councillor Clement:** Thank you, Mr. Speaker. I won't keep anybody waiting to hear that I’m going to support the budget. I am, in case anybody is surprised by that.

I've heard about the budget process today and it always intrigues me that every year I hear about the budget process. The fact of the matter is the budget process is in our Charter and says that Executive Policy Committee will create a budget and introduce it to Council which is exactly what they did and then the process starts and that's what happened and there was no change, and frankly, it was done exactly the same way when some of the people who are complaining about today's budget were doing the budget just a short time ago. Exactly the same way and that's where the money came from then, too.

One time revenues, Mr. Speaker, I’ve been pretty involved in city budgets for quite a number of years. I can't recall a budget that didn't have one time revenue in it. Most of the budgets have had a significant amount of one time revenue in

it. And then there is the issue about this is an election year. That's actually kind of comical to me, because in…it's not that we haven't just frozen taxes for 13 years. We've actually cut taxes four and a half percent since 1994. Four and one half percent we have cut them since 1994. That's what the truth is. And Gord, your numbers were great and I appreciate what you said because I know you researched that a little bit. So we're going from 18th in taxation in about 1995 to third and maybe we're headed for number one. Wouldn't that be too bad and…but this election year thing kills me. We had a zero tax increase in 1995 and in '96 and '98, then we had another election. Then we had a 6% cut between then and 2002 when we had another election. Then we had four more zeros and then another election. And now we're having four more zeros and another election. What's this got to do with 2010? Absolutely nothing, except it's a bunch of crap. Sorry for the crap part here.

Business tax. While we've been cutting and freezing taxes, we've also reduced the business tax rate from 9.75 to 6.39 this year. Forty three hundred and seventy two companies don't pay business tax and they're the people at the bottom rung, the ones who could afford it least and that money is now in our economy. But here is the part that I always find interesting when I hear people say well, you know, if we'd have increased taxes by inflation this is how much more money we'd have. We didn't have a lobotomy in 1998. We sat down and we had a meeting in the Radisson Hotel and everybody that was elected was in that room. Everybody was, and we collectively decided that we weren't going to borrow money any more and those of you that were there know that was what we did. So what did that do? It took us from a point in time in 1998 when we were spending $129 million a year to service our tax-supported debt and without doing anything it was going to go to 156 million in 4 more years. Instead of going to 156, it started heading in the other direction because we stopped borrowing, and what's happened in the last 13 years is our debt service and Councillor Swandel threw a number a little while ago, but it's in the $50 million range now and the difference between where we were going and where we are is about $90 million a year. Real money, real money. And that's where the money came from to buy inflation for those 13 or 14 years. That's where the money came from to hire 130 police officers in the last 6. That's where the money has come from to be able to balance these budgets and, by the way, even if you throw in 12% from the Province, it's a hell of a lot of money, so it's the same money, it's been done a different way. That's a lot of money. It's cash, folks and so is our Capital Budget that used to be all borrowed that one time, and now it's all cash. Isn't life terrible. We have been huge in terms of financial stewardship and everybody in this country is looking at what we do as a model. That's what goes on. It doesn't ever show up anywhere around here, but that's what's happening. We get people queering all the time.

Now you get into why was it important to have a zero percent tax increase this year? I can tell you one of the reasons why it was important because it was an assessment year where we've had huge increases in values, particularly for home owners. I mean, when we all know that a home can go up by 67% before it costs them any money, that's a lot of money. For every $100,000 of value of assessed value, it can go to 167,000 before anybody has to pay a nickel. That's huge. And people have trouble following that even though the reassessments have been ongoing for the last number of years and they've been written about over and over and over, but a lot of people don't pay much attention to it. I'll tell you what they do pay attention to though. They pay attention to the bottom right-hand corner of that document that we've got, and it's a good thing that we've been running with the zeros because the school trustees haven't been and the Province doesn't do anything about taking that stuff off of our tax bill. But other than a few media people here today and some people who are here representing their unions, there's nobody here, folks. I wonder why that is. It's because they're not unhappy that we're passing a zero budget for the 13th year in a row and keeping everything lower than what we had in 1994. In fact we're probably equivalent closer to about what we had in 1992 if you actually do all the numbers. We've done a good job here collectively over the years and I appreciate and I can tell you that we had trouble convincing Susan Thompson that this was the way to go. Glen Murray got it and thankfully this guy got it when he got here, too and it's a good thing that we've done what we've done and we are…if we're heading for number one in terms of municipal taxation, good on us. But it wasn't about being number one, it was about being responsible and caring and I think we've done that. But we didn't throw everything out while we did it. We've increased services all over the place and an example of that, one of my favourite colleagues came to Public Works and said "Public Works is being down… what was it $8.9 million less money this year than last year's budget. An actual fact that was debt service. But guess what?

**Mr. Speaker:** Councillor Pagtakhan moves two minute extension. All in favour? Contrary? Carried.

**Councillor Clement:** We actually didn't reduce expenditures by $8.9 million even though that was debt service because we took 4.3 million of that and actually enhanced some services. We only took 4.6 out of the budget of that 8.9. We should've probably taken it all, but we didn't. So this idea that there was some kind of a big cut in Public Works is not true. Then you get into this one time money. We have a policy. I don't know if anybody realizes we have it or not, that capital dollars, and (inaudible) pick a project. The Disraeli Freeway is coming up. Well, if we've got $190 million for the Disraeli Freeway, and we wind up spending 183, that doesn't mean that we take $7 million and run around and start fixing curbs on Bowman Avenue and a couple of sidewalks on Johnson Avenue. The money doesn't belong there, the money belongs here. So after 5 years, our policy is that any excess capital comes back and goes into general revenues. That's been our policy for years. This is not new. The number changes every year and I don't know why some people

just don't understand that, and you can shake your head at me and you can talk about how much the Feds are doing and the Province is doing. They are just wonderful to us all the time. One-third, one-third, one-third, 80 million here, 110 million there and we're just supposed to come up with it because they have an announcement. Well, they might get a surprise soon, but we can't do that all the time. In any case, and it's no different with the school mill rates. I don't know why the Province can't do something with that, and try and deal with getting that off of our tax bills. Tomorrow we're going to have to pass the mill rates. Some of them aren't bad. Some of them are a little outrageous. Doesn't really matter, we have to vote yes. I don't know why we have to vote at all. It's ridiculous. In any case, Mr. Speaker, thank you for being so attentive to everything I had to say.

**Mr. Speaker:** Thank you.

**Councillor Clement:** I appreciate it very, very much and I will support the budget.

**Mr. Speaker:** Bill, I listen with open ears. Councillor Pagtakhan, you have the floor.

**Councillor Pagtakhan:** Thank you, Mr. Speaker. Mr. Speaker, despite the fact that we're in difficult economic times and that this is a particularly tough budget year, I do want to thank the broad shoulders of Councillor Fielding for the wonderful heavy lifting that he has done and stick handling this budget through 2010. Also thank our team, Glen Laubenstein, our CAO, Mike Ruta and his team and Mayor Katz and my colleagues on EPC.

Mr. Speaker, this budget has a positive effect on the quality of life for Winnipeggers and I'll just touch on a few things. I heard from one of the members here today that the cupboard was bare with respect to housing dollars. Well, Mr. Speaker, if the cupboard was bare, why is it that the City in 2006 made a hallmark decision with the leadership of Mayor Katz and added a million dollars into housing rehabilitation investment reserve on an ongoing basis year after year Mr. Speaker? And Mr. Speaker, since 2000, the year 2000 when the City of Winnipeg answered to a tri-level agreement between the Province of Manitoba and the Government of Canada through the Winnipeg Housing and Homelessness Initiative, Mr. Speaker, we have given, as the City of Winnipeg, over $10,000 through the Housing Rehabilitation Investment Reserve. Mr. Speaker, over $3 million in property contributions, and over…and almost $18 million in tax-based grants and credits. I don't think the cupboard is bare, Mr. Speaker. In fact we are having a 10 to 1 leveraging ratio. For every dollar that the City puts in, we're leveraging 10 other dollars from both Federal and Provincial dollars. And Mr. Speaker, since the year 2000 the City of Winnipeg did a major contribution through the (inaudible) with over $173 million being added for housing repair, housing rehabilitation and housing construction, Mr. Speaker, for the construction of new houses to assist in building 7,700 housing units for new Canadians, folks on low income and for those who are homeless or at risk of being homeless, Mr. Speaker.

So I just really want to clear that up, Mr. Speaker, that the City is committed to housing. We are a partner, we are a junior partner of that, but we are a partner in housing and again, Mr. Speaker, we have another million dollar commitment to housing in the City of Winnipeg. I also want to mention, Mr. Speaker, that neighbourhoods don't need to be an HIZ to be part of housing renewal in our city. The Winnipeg Housing and Rehab Corporation, Mr. Speaker, is already building houses in neighbourhoods that need new housing stock, and those neighbourhoods, Mr. Speaker, aren't housing improvement zones, so you don't need to be a housing improvement zone, Mr. Speaker, to take advantage of some of the City's tax based incentives and some of the City's dollars for new housing. And thank goodness that we're having a new plan, OurWinnipeg, that is now going to discuss at a greater level sort of a new housing policy and talk about how we can sort of reinvent the way we do business with respect to housing and have a greater impact. So I'm looking forward to that report when it comes forward.

Mr. Speaker, I also want to touch base on the libraries and really want to thank my colleague, Councillor Fielding, for really going to bat for these folks, and also the members of the Winnipeg Public Library Board. Just really quickly, there's going to be $75,000 in this year's Operating Budget towards the base materials budget in the libraries. That's more books, more CDs for all of Winnipeggers that use our Winnipeg public libraries. We also have an extension of library hours, in libraries that Councillor Fielding already indicated.

Also, Mr. Speaker, there is also an increase in the operating grant for the Winnipeg Public Library Board, and just to tell you Mr. Speaker, one key feature of that is that $10,000 is going to be going to the Winnipeg Library Foundation which will be leveraging that money to do two fundraising projects, Mr. Speaker, for the 100th anniversary of both the Cornish Library and the St John's Library to rehabilitate those two libraries. Those are two Carnegie Libraries, the oldest libraries in the City of Winnipeg. They're going to be celebrating their 100th year anniversary in the year 2015 and when the ribbon cutting takes place and when the doors open in 2015, Mr. Speaker, that's real impact. That's real quality of life for our citizens and we're making that decision right here in 2010. And Mr. Speaker, we heard several delegations that I'm pleased to say that you know, we're doing what we can. We're going to be making some increases to Take Pride Winnipeg, to the Broadway Neighbourhoods Centre. We want to honour them by increasing their grant this year, Mr.

Speaker. They do wonderful work, they are a wonderful community partner and as well as the Big Brothers and Big Sisters amongst some other organizations as well. So, Mr. Speaker, I will be supporting the 2010 Operating Budget. Thank you so much.

**Mr. Speaker:** Thank you, Councillor. Councillor Vandal.

**Councillor Vandal:** Thank you, Mr. Speaker. Much like Councillor Clement I'm not going to keep people in mystery. I'm not going to be supporting this budget this afternoon or this morning because this budget does nothing to address several important issues facing the City of Winnipeg such as financial sustainability, our environment and our…actually exacerbates our environmental problems that we have, our infrastructure problems. The document before us is short-term. It is a politically driven to an election, status quo, provides status quo solutions in a document which gets this Council through the next election year and don't kid yourself my friends, that is the purpose, to get us through October 2010. I'm not a comedian. I certainly don't have budget ignorance. I've sat through a few of these things but I can tell you that the foundations of this budget are as shaky as I've even seen. You might even say that this budget is built on a house of cards. And let me cite a few examples that have already been discussed but I will…I will discuss them with my analysis.

The budget assumes $10 million in electricity tax revenue and natural gas tax revenue from Manitoba Hydro which is essentially the Province of Manitoba, while at the same time, Mr. Speaker, the very same time, this City of Winnipeg is suing Manitoba Hydro and the Province of Manitoba for this money. Now certainly this must make even the most ardent true believers in this Council suspicious about how solid these projections are if we have to go to court to actually justify their existence to us, and I respect Mayor Katz's words but I'm not convinced. I'd like to see the final decision and I think there is an inherent risk to this, and Mayor Katz's reference to the Auditor, and let me just read from that same letter, "The inclusion of operating revenue of the electricity taxes and gas taxes and arrears from Manitoba Hydro the Auditor says Council should understand that including this revenue in the 2010 adopted Operating Budget comes with the very real risk that the revenue may not be realized."

Now, Mr. Speaker, I could not have written anything, I could not have orchestrated anything which inspires less confidence in a document than this, money that's not confirmed in our Operating Budget. What we should have done is work with Manitoba Hydro and work with the Province of Manitoba to solidify these revenue sources because after all they're electricity, gas revenue, there's natural gas revenue, these are non-property tax revenues. This is not a business tax revenue. Isn't this what a better deal for cities always was about? And I have no idea, why wouldn't we take…because this is an opportunity…why wouldn't we take this opportunity, sit down with Hydro and to sit down with the Province of Manitoba to actually try to amend these agreements, to actually try to amend this agreement rather than scratch and claw to get $10 million to pass this Operating Budget to go in an election in October. Why don't we sit down and have a good faith discussion with the Province and Manitoba Hydro to amend the agreements which have been there for a long time so that we can accrue benefit not just this year, but for the next decade, the next two decades, a real better deal for cities. Have we forgotten about that? Where's the vision, where's the leadership in this budget? Rather, what we're doing is we're suing the Province of Manitoba for $10 million so that we can scratch and claw to pass this budget and go to the electorate. Let me repeat what I said again, Mr. Speaker. I could not have written anything or orchestrated a scenario which inspires less confidence in a document than this. The Executive Committee did it all themselves.

The budget also assumes $10 million in one time land operating revenue which is basically land sales to keep the budget artificially balanced. Again, Mr. Speaker, these are one time funds and are not sustainable over a two year term, let alone over a decade which is what we should be striving for. This is the same thing as selling your fridge or stove, your washer and dryer so that you can pay for the rent in one month, Mr. Speaker, not sustainable. What we should've been doing is using $10 million to increase the value of our under used land all over the city to make it more attractive for business, to get the businesses on there so that we can grow our tax base that way. You don't scratch and claw $10 million to keep the taxes artificially low, to keep our Operating Budget artificially low, Mr. Speaker, it's not sustainable.

Seven million dollars in money which was allocated for capital projects being redirected to pay for the operations of City Departments. Councillor Clement says this happens all the time. Mr. Speaker, can you think of anything more unsustainable than this? Has the Executive Committee never heard of the SIRP report, the Strategic Infrastructure Reinvestment Program which itemized millions and millions and millions of dollars of roads, back lanes, sidewalks, sewer, and waste liability across our city and suggested a rational, intelligent way to attempt to address this problem? Now the problems are huge. We're not going to do it in a year, but the last thing you want to do, the absolute last thing you want to do is using unallocated capital dollars to balance the Operating Budget, to pay for salaries here at City Hall, to pay for City Managers. It makes no sense. I can't think of a more unsustainable, unprincipled and myopic, and utterly dumb way to balance the budget than this.

Six point four million dollars of unused land drainage projects being redirected towards general revenue fund of the Public Works Department to pay for operating costs related to roadway construction. Mr. Speaker, we've had some discussions about water rates in this Council over the last 4 years, and we've jacked up the water rates to where we have the highest water rates in the entire country of Canada under the guise of addressing our waste water treatment responsibility, and I shouldn't say that because they are onerous, but we're not just doing that. In fact we are subsidizing our general revenue to a great extent, and here, Mr. Speaker, is another $6.4 million that should be going towards our waste water treatment responsibilities but instead is directed, and let me quote, to pay for operating costs related to roadways constructions. You know what that means? That means paying for the engineers that Mr. Woroby referenced that are being cut from the Operating Budget. We're going to use water rates now to pay for those engineers so that we can do road construction all over the city. And I don't know if any of you are following me and I'm not going to spend too much time on this, but it's the principles are the same. The water rates that our citizens have been paying are going to be used for paying for the engineers which we've cut which Mr. Woroby has referenced to do road constructions all over the city, $6.4 million.

So, Mr. Speaker, those four items are approximately $35 million from assorted capital accounts which should be used for our infrastructure deficit but are instead being used to artificially balance the budget, one time fees to get politicians elected, get us through the October 2010 election and meanwhile the problems compound. As I said, Mr. Speaker, I'm not a comedian, I'm certainly not budget ignorant, but a budget of this type should be the opportunity to paint a picture, to paint a vision to get people excited about what's happening in our city, our downtown, to talk about the long term, how we're going to manage the City over the next decade to talk about environmental stewardship, infrastructure stewardship. It should get people talking about the vision for the City and I'm sorry Councillor Browaty. I think we can do better (inaudible)…Walmart

**Mr. Speaker:** Councillor Nordman wants to move an extension of two minutes. All in favour? Contrary? Carried.

**Councillor Vandal:** And it pains me to see that the future doesn't look much brighter, Mr. Speaker. A better deal for cities appears to be on the background. Our infrastructure deficit balloons larger than ever. Our operating deficit for 2011 is $77 million, our operating deficit for 2012 is $119 million. Councillor Swandel referenced a 10 year plan and I agree with him. We should be looking 10 years down to the future, future of the City of Winnipeg, and when I was on Executive Committee last, we did have a 3-year budget which looked at all expenses over 3 years and looked at how we're going to pay it over 3 years, property tax, business tax, potential new deal revenue. Where has that done? Why are we only…whey are we stopping the projection at the end of…before the election? So I agree with Councillor Swandel. Let's look 10 years down the road.

There are other comments but I think I've made my point. Councillor Fielding is right. This is the final budget before we go to the voters and I think that certainly was a consideration here. I want to thank CAO, Glen Laubenstein for his work and his team. The team of people out there, I mean I'm not certainly criticizing the work that you've done. I know the workload is extreme and you've done a great job. Scott Fielding, congratulations. I know how difficult it is to put these documents together, and thank you.

**Mr. Speaker:** Councillor Nordman.

**Councillor Nordman:** Thank you, Mr. Speaker. It's my pleasure to rise today and I, like Councillor Clement, won't be surprising anyone that I will be supporting this budget today. I'd like to congratulate my next door neighbour Councillor Fielding for the outstanding work he's done on his first Operating Budget. You know, budgets are about leadership and leadership is about getting things done, and I really do think that unlike the previous colleague who spoke, that the sustainability or the nonsustainability he talked about doesn't exist in this budget. Sustainability is about fixing things now without wrecking things in the future and I don't see any wreckage in the future. I'm encouraged that…and the people of St. Charles Ward are encouraged that there will be no tax increase. I hear that on a regular basis whether I'm hearing it on e-mail or telephone or at the grocery store that they're quite satisfied with the tax burden that they have and they don't want to see it expanded. Like Councillor Clement commented, I, too, agree that the Province has to do something about the school taxes that we see. I'm sure my colleague, Mr. Wyatt, will have some comments about that tomorrow. We will be voting on that. I won't be supporting the payment of taxes by the school division on our tax bill.

The particular committees that I sit on with City Council, representing City Council, Take Pride Winnipeg, Heritage Winnipeg, are happy to receive the extended funding that they've received this year, and I'll be taking that message back to them as I go forward with their committees, so with no further ado and it's getting late in the morning, I will be supporting this budget and am quite happy to run on it as an election budget this fall. So thank you very much.

**Mr. Speaker:** Councillor Smith.

**Councillor Smith:** Mr. Speaker, there are some good things in this budget. Obviously, as the Mayor has mentioned, I have talked about back lanes and tree pruning and these are important but you know it's not a good budget. Let me tell you this, Nicholas Hirst said this in the Free Press; "We pay lip service to wanting some sort of rapid transit but it is always car transportation that wins out. We say we want a green city but our waste recycling is one of the worst in the country. We have fewer bicycle trails and fewer taxicabs than other cities with a bus service that tries hard but is inadequate for most people's needs." You know, there's so many things about this budget. For example, Paramedics. You know, one time when you called an ambulance you paid the bill and it was a bill that was all-inclusive. Now, there's other charges. So you get an ambulance bill, you get…also you have to pay additional 100 or 102 or what it may be in addition for services provided by the Paramedics and Ambulance. You know, we've also increased user fees tremendously over a period of time. By the way, I…in looking at this budget, looking at past budgets, I read the State of the City Address for 2009 where the Mayor said this, "In the coming months I will be announcing details on a transportation authority commission. For far too long our city has built out our suburbs, new housing developments and commercial retail properties then later struggled with the impact this growth has had on our transportation infrastructure. Various agencies involved in planning are delivering transportation related services will be brought back together to create a unified team, a team that shares a vision of providing excellent transportation infrastructure that enhances both our environment and our economy and provides for a greater accountability to taxpayers and senior levels of government who provide millions in dedicated funds for roads, bridges and transit." Now that was for 2009. I haven't seen anything going in this direction. Now also, the Mayor on February 10th, there was a press release that Katz calls for comprehensive youth advocate program. "Committed to creating positive alternatives for at risk youths Mayor Sam Katz today presented a Motion to Executive Policy Committee directing civic administration to take a holistic approach, and provide an environmental scan of intervention programs that focus on preventing youth from joining gangs and making criminal lifestyle choices." The fact is, we had the Spence Neighbourhood Association come forward and they said they have a youth program that needed more support. They had gone out to the community and had raised a fair amount of money and had various sponsors for the program, but one of the sponsors had withdrawn. "The sports program that they have started in 2004 with two basketball teams and the Winnipeg Minor Basketball Association. This year they are running eight basketball teams and are also offered four soccer teams in the Winnipeg Youth Soccer Association. The program reached over 175 kids in the community and has over 30 volunteers helping make this project a success. The sports program provides the only fully accessible organized team sports for children in the inner city. Equipment, rides, coaches and food for days with more than one game are all provided free of charge. Our programming provides a healthy safe and constructive environment in which kids can participate and develop their skills. We support the athletes to develop communications, self confidence and social skills." Now, what were they asking for? Were they asking for a fantastic amount? They were asking for 70,000 and yet, you know, we supported the Youth for Christ thing. You know, like here is…this at Magnus Eliason Centre they had gangs roaming the halls. They had lots of problems before they started this program. You know, if the Mayor is really serious about providing, in effect, programs for youth, he would have supported this at the EPC and he didn't.

And you know there is another thing, I'd like to…I read the paper very thoroughly and I caught this letter, "City streets look like pig sty." "Recently a few co-workers and I took a day trip down to Grand Forks and while driving around in their city I commented to one of the girls how clean and neat their city looked. She could not understand what I meant. So, when I got back to Winnipeg I looked for lots of examples to demonstrate what I meant. Unfortunately I did not have to look too hard. All one has to do is drive down any street in Winnipeg and you'll see what I mean." By the way, also you had Councillor Wyatt talk about the sidewalk around City Hall. It's all broken up, it's horrible. We're not maintaining what we have. "The boulevards are covered in weeds which have gone to seed standing up to two feet tall and in the areas where the City has cut the grass, there's been no trimming done around street posts or fire hydrants. It's an unsightly mess. I'm embarrassed that any visitor coming to the city this year will see this totally neglected mess. Grant you, Grand Forks is a city newly rebuilt after being flooded, but that does not justify our city becoming a big sty." And you know, I don't know if…just the other day, Take Pride Winnipeg did a report on litter and it's increasing. And you know, we have to put resources to deal with the problems.

Now, I'd like to also deal with the library. There is a letter to the editor by Brian Bochuck. "What is it about rejuvenating Winnipeg's downtown that Mayor Katz does not understand? Extending the hours of the downtown library may seem insignificant to some, but a visionary Mayor would see this is an integral part of what it is to bring people downtown to live or a destination to be entertained. Have people in Winnipeg not visited cities with vibrant downtowns that you wish we had here? The Winnipeg Free Press thankfully has some reporters who seem to have an understanding this is what it is…what it is the most other cities in North America have figured out long ago. If you have parks, living space, entertainment and amenities such as grocery stores and libraries, people may actually come downtown." So you know, it's…there are many things that one could talk about with this budget. For example, I mean, we shouldn't even be considering this with the suing the Manitoba Hydro. You know, we have ten million in the budget. It's incredible that we have that…and we don't know…we don't know…if we're going to be getting that money.

**Mr. Speaker:** Councillor (inaudible) moves the extension of two minutes. All in favour? Contrary? Carried.

**Councillor Smith:** So, you know I know that this budget has not had very…a great decrease from the year before in services but you know if you go over the budgets over the last number of years, we've cut back and cut back and cut back and you heard the Speaker from WAPSO say if you cut the people who provide the service, you're going to cut the service. So it seems to me that, you know, you're closing your eyes to what is occurring with the City of Winnipeg. You know, the budget should be defeated and I think the Mayor should lead the way in defeating it.

**Mr. Speaker:** Final speaker is Councillor Orlikow.

**Councillor Orlikow:** Thank you. Thank you, Mr. Speaker. I rise today to actually support the budget. So there is a surprise maybe for some. I have been since I've been here for one year been accused of being in one camp or the other camp. I am in one camp. It is the camp of my residents that I represent. They are the people that elected me just a short time ago. So the debates about John, will you increase taxes as soon as you get in there, because of course you're a New Democrat, and even at that time my answer was quite clear as it is today, no. This is not the time to be increasing taxes on the property side. This is a time that we need to be allowing the money to stay with the people so they can spend it and help us through these economic times, and I also pointed out you have been taxed people, you've been taxed astronomically hard in user fees. There's a lot of user fees that the City are applying that they did not apply before from building permits, zoo…everything, there's a whole bunch of them. And as we heard around this Council before, money that the government takes is a tax. You can call it property tax, you can call it a user fees. It doesn't matter. So I believe that we have the balance maybe a little hard on the user fee model at this present time, but during the economic situation I believe that's warranted. Do I have time? Do I have concerns about policy issues? And I have checked on this prior about one time funds being used in an Operating Budget. Yes, I do have concerns about that. The use of estimates to balance your budget. We all have concerns about that, absolutely, but again those are policy changes. Those are changes that we as Council must make not in a reactive stance but in a progressive stance ahead of time. So, we say we don't like this so we are going to stop this and we change policy but again, the policy was here that it is allowable. I may not be comfortable with it but again it is part of our policy and I do believe we need to be looking at that.

Do I like the fact that EPC…how that was done, through this public consultation through…that was very good and some of the Twitter stuff I thought was very good, however, I do believe it should be an inclusive approach of the Committee as a Whole for the whole budget period. Again I never made that recommendation prior. I'm still learning the ropes, but I believe for the future, the next year and when we start this, it should be Council as a Whole because it matters to us all not just EPC members, so again I believe that motion should come forward, so I will be doing that.

Am I concerned that there is no infrastructure plan. Absolutely I'm concerned there is no infrastructure plan and I hope that we will be getting one to cover some of the billions of dollars. Should there be a long term plan? Absolutely there should be a long term plan, and we have an exciting opportunity to tie that to OurWinnipeg. That's where OurWinnipeg will get its teeth, if we can tie some funding and the budget towards that so again, I do believe that the City is being lean. Do I believe that services have been reduced? Yes, I do. I do believe services have been reduced. I believe our staff is at the breaking point. Again I'd have to leave this to the CAO. I believe many of our staff have been working doubly and triply as hard as they have in the past. Again this is on the heals primarily from 311 which I have to say, has been quite successful in allowing some of these service demands to be addressed, but again that has allowed the residents to be able to ask for more services so there has been this kind of increase in service demand because of a more efficient way of getting those service requests directly to the department so there has been a tightening. Can this last forever? No. I don't believe it can. Is raising property taxes the solution for us all? Absolutely not. As we know, 2.5 would give us $10 million. Again that's not going to solve all our problems, however, I believe this budget, while I do have some concerns in it, has a balanced approach. It has…It isn't going one side all the way, isn't going the other side. It does have a balanced approach so at this time I do support the budget.

**Mr. Speaker:** Councillor Fielding in closing.

**Councillor Fielding:** Thank you. Thank you, Mr. Speaker. As mentioned in my introduction comments, I think this is a budget that can make a difference in people's lives here in the City of Winnipeg. As I mentioned we did a number of public consultations (inaudible). We're maintaining or enhancing the core services for our citizens while maintaining a property tax freeze. We're doing some work with small businesses to allow them to grow and prosper and we're putting more police officers on the street.

In terms of…I'd like to just address some issues that have been brought up through the debate. Property taxes, well, you know, I think there's a difference of opinion here on property taxes. I guess my concern is to our citizens, and I think they should watch their wallets because that's exactly it. You hear politicians get up and they'll say we'll take a pinch from here and a sprinkle of taxes from there and it all adds up and I think it's…a lot of time it's the easy way out where you go and you stick it to the taxpayer and make them pay more for services. I can tell you the average citizen out there, through these challenging economic times, are rolling up their sleeves and they're not spending money. They're

spending money more wisely and I think that as a City, we need to do it. Overall I think the budget makes sense from that respect.

In terms of some of the one time expenditures that's been brought up, well I think one time expenditures is something that we have not…you know, has been used in many, many budgets before and the last time I checked, the cheques for one time money, cash get…get cash the same exact way as the long term money that is there, so we need to use this.

That operating reserve is another something that got brought up in the budget and I can tell you this reserve is flush with cash. We've had strong financial management of this account since 2004 and if you can take a look, this actual reserve will have upwards of $13 million, $20 million now, $13 million by the end of the year. So it gives you more than enough money to do what you need to do. And I'd like to also mention that the reserve has three times the amount of money in the reserve as the time period from 2000, or 1999, 2004 when in fact I've got the numbers here. 2000 and 1999, we had 6,100 or 6.1 million, 2000 we had 6 million, 2001 we had 5.6, 2002, 4.7, 2003, 6.6, 2004, 5.8, in 2005 we had 5.8, 2006, 8.9 and 2007, 11.6, 16 million last year and 20 million this year. So as you can see, Gord Steeves is the Chair of Property, Planning and Development. I'd rather have $13 million in my account when my good friend Councillor Vandal over there had $5 million. So this account is there. You talk to the Deputy CAO, also the Director of Public Services, they tell you that they can do their business with the amount of money that is there and overall there's also a claim that we're using…we're selling land surpluses. Well, the Land Operating Reserves is not just made up of land sales, it's also made up of revenues that we brought in. The Transcona Joint Ventures is an example of where we're getting some revenues that are there. With that in 2008 we got $4.5 million from the Joint Venture. A good financial management with Genstar and last year we got over $3 million in terms of land reserve for it. So I think overall it is responsible. It makes sense to use this money.

Manitoba Hydro issue, well another issue that has been raised and I can tell you this isn't something that we were looking for. This is an audit that came up in 2005 in terms of the expenditures. We raised this issue with Hydro over a year ago. There was discussions with Hydro until the deal was…in fact, I think there was a tentative deal that was worked out with Hydro but for whatever reasons they seem to have walked away from that. You might want to talk to the Provincial Government in terms of that. What I can tell you is the $10.8 million is really $8.9 million because the rest is money that's in air if you will. Now one thing I would like to mention that the Provincial legislation, this is their legislation, is completely clear and no one is disputing the fact that we are in the right in terms of this and as such, Hydro…and I think that's verified by the Auditor as well. From this side of things you know it's my opinion that the Provincial Government cannot just cherry pick what sorts of legislation they want to uphold and what legislation they don't. With such, we're going to aggressively pursue our interest and if it's a means of court then that's the way we'll take and if it's an agreement that's something we would take a look at as well.

I do believe that there is a lot of contingency built into this budget. Last year, we had mentioned there is a $9 million surplus that was brought in. We used $5.2 million for this budget. There's over 3 and a half…or $3.8 million from last year's surpluses that are built in here just for contingency that's there. Another item that was talked about, not mentioned as much, but in terms of the snow clearing budget for AT, for Active Transportation. This budget incorporates in its current form removal of snow for all these Active Transportation corridors so there was some information that was (inaudible) that was there.

Public Works debt and finance charges, well that's a topic that was discussed. I think Councillor Clement mentioned that as well. It's because we're handling our finances better. It's not a reduction of services that are there. The decrease was primarily due to the reduction of $7 million in debt and financing charges in prior year surpluses. It's also the Provincial…we're getting more money from the Provincial and Federal Governments in terms of their initiatives so less internal financing is being used to reduce debt and finance charges in the Operating Budget.

In terms of the capital surplus to operating, well, you know, as Councillor Clement mentioned I think that's something that you take a look on a five year basis. It comes back into the system. You make decisions of where you're going to do it. I would also like to mention with this, we know that there's millions of dollars of stimulus dollars that are going to be invested in our community over the next summer till March of 2011 that are there so we're going to be competing with that money that's out there. We've also in the last Capital Budget moved up with TBO programs, you're going to get 7 or 8 streets. We also moved up the widening or work that's around Taylor, work that's supposed to be done in 2010 into 2011. I don't think there is capacity to do that work in this budget.

In terms of the increase in frontage levy, really a combination of growth of frontage levy, it's made up of about point four million dollars as well as funds, and that's from new developments that come on line, as well as funds that are made available by the capital closing processes that are…with that…that is there to the tune of $6.4 million. With respect to the latter, $6.4 million worth of projects were closed which allows surplus funds to be from the sewer rehabilitation reserve to be used to fund the land drainage capital projects, therefore, the frontage levy revenue can be redirected to

the Operating Budgets, as you look at the construction, the roadway construction and maintenance budget that has gone up by the same amount in that period of time, so the work is getting done.

In conclusion, Mr. Speaker I think this is a budget that will make a difference for Winnipeggers and they can allow us our taxpayers to save more money, keep more money in their pockets. It invests in things like the business tax to allow small businesses to grow and it also puts more focus on our top priority, putting more police officers on the street and starting programs like the Cadet Program to keep our community safe, and I'm very happy with this and thank you, Mr. Speaker.

**Mr. Speaker:** Thank you, Councillor. Actually recorded vote to be called. I'd just like to…I'm the only one who did not speak. But briefly, Councillors, I support this budget and to the Mayor and Executive Policy Committee, thank you and especially to our staff, Glen Laubenstein, Mike Ruta, and also Jo-Anne Ferrier and Betty Holsten Boyer and Howard Falk for the fine job you folks did and along with the City Clerk's Department and the staff we have here today. I'd just like to say that I'll be supporting the budget and I want to see the employees getting paid. I want to see the Cadet Program take place. Vote against this, that won't happen, so Councillor, who calls for recorded vote? Councillor Swandel calls for recorded vote. Those in favour of Item 1, please stand.

**A RECORDED VOTE** was taken the result being as follows:

**Yeas**

His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Nordman, Orlikow, O'Shaughnessy, Pagtakhan, Steeves, Swandel, and Mr. Speaker, Councillor Lazarenko.

**Nays**

Councillors Gerbasi, Smith, Thomas, Vandal and Wyatt.

**City Clerk:** The vote Mr. Speaker, Yeas 11, Nays 5.

**Mr. Speaker:** Thank you. Mr. Mayor, EPC Consideration of By-laws.

## EXECUTIVE POLICY COMMITTEE
## CONSIDERATION OF BY-LAWS

**Mayor Katz:** Thank you, Mr. Speaker. I move the following By-laws be read a first time. By-laws No. 30/2010, 31/2010 and 32/2010.

**Mr. Speaker:** All in favour? Contrary? Carried. Councillor Thomas wants to be recorded in opposition. So be it. Mr. Mayor.

**Clerk:** By-law No. 30/2010, By-law No. 31/2010, By-law No. 32/2010.

**Mayor Katz:** I move that By-laws numbered 30/2010 and 32/2010, both inclusive, be read a second time.

**Mr. Speaker:** All in favour? Contrary? Carried.

**Clerk:** By-laws numbered 30/2010 to 32/2010, both inclusive.

**Mayor Katz:** Mr. Speaker. I move that the rule be suspended and By-laws numbered 30/2010 and 32/2010, both inclusive, be read a third time and same be passed and ordered to be signed and sealed.

**Mr. Speaker:** All in favour? Contrary? Carried. Councillor Thomas wants to be recorded in opposition.

**Councillor Clement:** I'd like to be recorded in favour.

**Mr. Speaker:** Councillor Clement wants to be recorded in opposition.

**Mayor Katz:** No , he said in favour.

**Mr. Speaker:** Oh. Okay, make up your mind. Has Councillor Wyatt? Councillor Wyatt and Thomas want to be recorded in opposition. Okay.

Councillor Swandel moves adjournment. All in favour? Contrary? Carried. Roll call.

**ROLL CALL**

**Clerk:** The speaker, Councillor Lazarenko.

**Mr. Speaker:** …(inaudible) take your seat.

**Clerk:** His Worship Mayor Sam Katz, Councillors Browaty, Clement, Fielding, Gerbasi, Nordman, Orlikow, O'Shaughnessy, Pagtakhan, Smith, Steeves, Swandel, Thomas, Vandal and Wyatt.

**Council adjourned at 11:59 a.m.**