CONSIDERATION OF REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

The Executive Policy Committee has had before it the Report of the Committee on Finance and Administration, dated November 12th, 1991, has concurred in the recommendations contained therein and submits same to Council for approval and adoption.

On motion of Councillor Selinger, the Report of the Committee on Finance and Administration, dated November 12th, 1991, was considered clause by clause.

West Committee Room,
Council Building, Winnipeg.
November 12th, 1991.

His Worship the Mayor and Councillors:

Your Committee on Finance and Administration submits the following Report and recommends:

Citizen Appointment to the Civic Charities Endorsement Bureau for Balance of Term ending November 1992.
Files GC-7 and GL-5.2

178 - 1. Your Committee on Finance and Administration has considered a recommendation from the City Centre-Fort Rouge Community Committee regarding a replacement for Mr. Doug Thomas on the Civic Charities Endorsement Bureau.

Your Committee therefore recommends that the following person be appointed to the Civic Charities Endorsement Bureau as the City Centre-Fort Rouge Community representative, for the balance of the two-year term ending November 1992 or until as soon thereafter his successor is appointed, namely:-

Mr. Michael Baron,
801 - 400 Kennedy Street,
Winnipeg, Manitoba
R3B 2N1

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

1992 Tax Sales Nos. 96 and 97.
Files FL-2.4 and FL-6

179 - 2. Section 230(1) of The City of Winnipeg Act permits tax sale proceedings for properties in arrears for more than one year after December 31 of the year in which the rate was struck. This has been interpreted by the Law Department as meaning that the land is in arrears for the two years prior to the tax sale year.

The City's present policy on tax sale proceedings, in existence since 1972, has extended the statutory provisions to direct that tax sale occur only when the land is in arrears of taxes for three years prior to the tax sale year.

Prior to amalgamation in 1972, most of the area municipalities which now comprise Winnipeg conducted tax sales for those lands which were in arrears of taxes for two years, as do the rest of the municipalities in Manitoba today.

Under its former charter, the City of Winnipeg held tax sales where properties were in arrears for three years and to maintain uniformity, Council, on April 19th, 1972, established a three year provision for all area municipalities which

Report of the Committee on Finance and Administration, dated November 12th, 1991.

now comprise Winnipeg by passing a resolution to provide that the 1972 tax sale include all lands in arrears of taxes for any part of 1969 plus all of 1970 and 1971. This three year provision has been adhered to in practice since then.

The following table reflects the trend in moving the tax sale closer to January, the time at which the current three year policy takes effect.

Year	Tax Sale No.	Date of Tax Sale	Arrears Years Included
1985	89	June 12, 1985	1982,1983,1984
1986	90	May 28, 1986	1983,1984,1985
1987	91	April 29, 1987	1984,1985,1986
1988	92	March 23, 1988	1985,1986,1987
1989	93	March 22, 1989	1986,1987,1988
1990	94	March 21, 1990	1987,1988,1989
1991	95	February 27, 1991	1988,1989,1990
1992	96	March 25, 1992 (proposed)	1989,1990,1991
1992	97	December 2, 1992 (proposed)	1990,1991,1992

Tax Sale No. 97, recommended for December 2, 1992, would include properties with taxes owing for any part of 1990, plus 1991 and 1992. Moving the tax sale to December would comply with The City of Winnipeg Act but would represent a change from the 1972 Council resolution and subsequent practice, albeit only by one month.

The City would benefit from a December tax sale because of the increase in arrears revenue in the months leading up to tax sale thereby providing an improved financial year end position for the City.

From an administrative perspective, December is the most advantageous month to conduct a tax sale. The events that lead up to tax sale span a period of four to five months and ideally should be contained within a calendar year. The tax sale list is required to be published in the Manitoba Gazette. This requires advance preparation which with a December tax sale could be provided electronically. On the contrary, a January or February tax sale is complicated by year end balancing, penalty rollover and reconciliation processes and must be prepared well in advance manually. It was found that the last tax sale, held February 27, 1991, was too early in the year for these manual processes and therefore the next sale is recommended for one month later in the year (March 25, 1992).

It is felt that conducting two tax sales in 1992 would be consistent with the direction recommended in a report from the Chief Commissioner to Executive Policy Committee dated June 24th, 1991, to amend the tax sale policy by reducing the period of allowable arrears from 3 years to 2 years effective January 1, 1993. Full implementation of this recommendation would see Tax Sale No. 98 held in 1993 for lands in arrears for 1991 and 1992 taxes. The recommendations contained in this report would be transitional towards this objective.

The Board of Commissioners and Council may wish to evaluate the effectiveness of the proposals contained herein, i.e. a December tax sale with three (3) years of arrears, before deciding on the necessity of a two (2) year arrears policy.

Your Committee on Finance and Administration therefore recommends:-

1. That the Tax Collector be authorized to prepare a list of lands which are in arrears for 1989 plus 1990 and 1991 taxes to be included in the 1992 tax Sale and further, that upon authentication of such list by the Mayor, that the City Treasurer shall proceed to advertise and sell the lands included in such list, on March 25th, 1992 in accordance with the procedures prescribed by Section 230(1) and (2) of The City of Winnipeg Act.

2. That the Tax Collector be authorized to prepare a list of lands which are in arrears for any part of 1990, plus 1991 and 1992 taxes to be included in the 1992 Tax Sale and further that upon authentication of such list by the Mayor,

Report of the Committee on Finance and Administration, dated November 12th, 1991.

that the City Treasurer shall proceed to advertise and sell the lands included in such list, on December 2, 1992 in accordance with the procedures prescribed by Section 230(1) and (2) of The City of Winnipeg Act.

3. That the City Treasurer be directed to include in the advertisement required under Section 230(3) of The City of Winnipeg Act, the notification referred to in Section 235(6) of said Act, wherein the City will exercise its prior right to purchase the property as set out in Section 235(5) of said Act.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

License Fees for Mobile Homes.
File EL-8

180 - 3. On June 19th, 1991, Council adopted a report from the Committee on Finance and Administration dated June 4th, 1991, relative to the System of Taxing Mobile Homes in Winnipeg. The method of calculating the Mobile Home License Fees for 1992 was also adopted at that time. License Fees for Mobile Homes for 1992 were to be based on the 1991 fees multiplied by the percentage increase in the 1991 municipal and applicable school mill rates. The percentage increase in the 1991 municipal and school mill rates over 1990 rates was 5.13% as noted in Exhibit I attached.

The recommendations adopted, revising the system of taxing mobile homes are as follows:-

1. That mobile homes continue to be licensed as opposed to being assessed and taxed as real property.

2. That the treatment, for taxation purposes, of mobile homes be changed from a separate class as in previous years to a combined class with residential-1 class 10.

3. That the basis for assessing mobile homes for taxation purposes be changed from comparing a single family home (replacement cost less depreciation) to one of analysing recent sales in determining the assessment value based on market evidence.

4. That the above two recommendations be implemented for 1991 which would result in an estimated average reduction of 46% of the license fees on mobile homes...

5. That the annual license fee be calculated as follows:

   a) That in 1991 the rate of $16/sq. ft. be used as an average square foot value for mobile homes and that the portion share (48.6) for residential property be applied to this assessed average square foot value and the result be multiplied by the 1990 municipal and applicable school mill rates to determine the annual license fee to be applied to mobile homes in increments of 100 square feet.

   b) That License Fees for 1992 be based on the 1991 fees multiplied by the percentage increase in the 1991 municipal and applicable school mill rates.

   c) That for 1993 and for each general assessment year thereafter, the Assessment Department provide to the Finance Department an assessed average square foot value for mobile homes based on sales of mobile homes in the City of Winnipeg.

   d) That the portion share for residential property be applied to this assessed average square foot value and the result be multiplied by the municipal and applicable school mill rates to determine the annual license fee applied to mobile homes in increments of 100 square feet.

Report of the Committee on Finance and Administration, dated November 12th, 1991.

e) That in non reassessment years the license rate be adjusted by the increase in the mill rates only.

The foregoing recommendations were implemented in 1991, necessitating refunds for that year. For 1992, according to recommendation 5 b) above, License Fees for Mobile Homes are to be calculated based on the 1991 License Fees for Mobile Homes multiplied by the percentage increase in the 1991 municipal and applicable school mill rates over those of the prior year (1990). The percentage increase in 1991 municipal and applicable school mill rates over those for 1990 is 5.13% as indicated in Exhibit I attached. Therefore, the recommended License Fees for Mobile Homes for 1992 reflect a 5.13% increase over the 1991 License Fees for Mobile Homes. (The 1992 mill rates will not be struck until late March, 1992, hence the use of prior year's information.)

At present, 616 mobile homes are being licensed, therefore, the revised fees should generate, all things being equal, approximately $12,600.00 in additional revenue for 1992.

Your Committee on Finance and Administration submits for favourable consideration draft by-law and recommends:-

1. That Schedule "A" to By-law No. 821/74 be repealed and that the following schedule be substituted therefor, effective January 1st, 1992. (The present schedule is shown for comparison purposes only.)

LICENSE FEES FOR MOBILE HOMES

Size of Mobile House (based on exterior dimensions)	Proposed Monthly Fee	Present Monthly Fee
(a) 400 square feet or less	$15.14	$14.40
(b) Over 400 square feet		
First 400 square feet	15.14	14.40
Each additional 100 square feet or part thereof	3.78	3.60

2. That the Proper Officers of the City do all things necessary to implement the above recommendations including the execution of any documents related thereto.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

Councillor Boychuk asked to be recorded as having voted against the clause, in accordance with Section 50.7 of the Procedure By-law.

Due Dates for Payment of Realty/Business Taxes and Rate of Penalty in Arrears.
File FL-1

181 - 4. Your Committee on Finance and Administration has been advised that the due dates on which business and realty taxes become payable and the penalty rates for arrears have in the past been established annually.

Your Committee on Finance and Administration is of the opinion that the By-law should be worded in such manner as to avoid the necessity of Council annually having to pass by-laws.

For Council's information, the Finance Department is currently studying the feasibility of two penalty options to increase the percentage of taxes paid by the due date and to reduce tax arrears.

These options are:

Report of the Committee on Finance and Administration, dated November 12th, 1991.

i) an additional 5% penalty on July 1 on unpaid current taxes over and above the existing monthly penalty rate.

ii) a higher penalty rate on taxes remaining unpaid after December 31.

The ongoing computerization of systems in the Tax Branch will allow the accounts receivable system to accommodate these alternatives in 1993. Amendments to The City of Winnipeg Act may also be required. Recommendations will be forwarded once study and review is completed.

Your Committee submits for favourable consideration draft by- law to fix the date on which realty and business taxes shall be due and payable and to establish a rate of penalties to be added to taxes in arrears and recommends that:-

1) The following dates on which taxes will become payable each year:

Realty Taxes - June 30
Business Taxes - May 31

2) That the penalty rate for outstanding taxes and arrears continue to be 4% over the City's bank prime rate of borrowing (calculated as set out in the by-law).

3) That the Proper Officers of the City do all things necessary to implement the above recommendations including the execution of any documents related thereto.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

Discount(s) to be Allowed for the Prepayment of 1992 Realty and Business Taxes. File FL-2.1

182 - 5. Your Committee on Finance and Administration is of the opinion that a discount rate should be established which will economically assist in accommodating the City's fiscal requirements, and at the same time provide an attractive investment opportunity for Winnipeg taxpayers.

The sale of tax prepayment certificates for 1991 and for comparative purposes for 1990 is outlined in Attachment I.

Your Committee on Finance and Administration submits for favourable consideration draft by-law and recommends that the following discounts be allowed on prepayments received in the Tax Office during the months of January and February, 1992 at the following discount rates:

	Face Value Discount Rate	Equivalent Maximum Annual Discount Rate
REALTY TAX - PAYABLE AT PAR UP TO JUNE 30TH		
January	3.00%	7.58%
February	2.25%	7.00%
BUSINESS TAX - PAYABLE AT PAR TO MAY 31ST		
January	2.45%	7.58%
February	1.75%	7.07%

Report of the Committee on Finance and Administration, dated November 12th, 1991.

Your Committee also recommends that the Proper Officers of the City do all things necessary to implement the above recommendations including the execution of any documents related thereto.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

Tax Instalment Payment Plan. File FL-2

183 - 6. Your Committee on Finance and Administration has considered the terms under which the City will accept the payment of realty taxes by monthly instalments; which concept was approved by Council on April 17th, 1991, for implementation in 1992.

This plan provides that property taxpayers may apply to the City to pay their annual tax levy by way of consecutive monthly payments debited automatically to their bank account. The by-law specifies that taxpayers may opt for up to 12 monthly instalments, however, a minimum of 7 instalments is required to allow for an adjustment on the July 1 payment to account for differences in the annual tax levy.

Taxpayers may withdraw from the plan by giving notice in writing two weeks before their next monthly payment is due. Should this occur after the par period has ended all outstanding taxes become due and payable and will be subject to penalty if not paid prior to when the next monthly payment would have been due.

Only taxpayers with no tax arrears are eligible for the tax instalment payment plan. Applicants must have chequing privileges at a financial institution and must apply before November 15th, 1991.

Additional terms and conditions are set out on the application form itself (copy attached) which is referenced in the by-law.

Your Committee on Finance and Administration submits for favourable consideration draft by-law to provide that realty taxes may be paid by instalments commencing in 1992 on such terms as provided in the by-law.

Your Committee also recommends that the Proper Officers of the City do all things necessary to implement the above recommendations including the execution of any documents related thereto.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

Penalty Rate to be Added to the Amount required to Redeem Land Sold in Tax Sale within One Year from the Date of Sale. File FL-2.4

184 - 7. Your Committee on Finance and Administration has considered the adjustment of the penalty rate for tax sale redemptions pursuant to Section 245(1) of The City of Winnipeg Act and previously established by By-law No. 4133/85.

The following table compares the penalty rates that are applicable:

Report of the Committee on Finance and Administration, dated November 12th, 1991.

	Penalty on Arrears	Penalty on Tax Sale Arrears
Current	4% over prime*	1.25%
Recommended	4% over prime**	6% over prime

*1.05% monthly as of November 1, 1991
**recommended in report dated October 30, 1991 for penalty on arrears and concurred in by Committee on Finance and Administration (November 12th, 1991)

The adjustment of the penalty rate recommended will align the penalty rate calculation with the penalty rate used for pre-tax sale arrears, except this rate will carry a 2% increase over the penalty rate on pre-tax sale arrears.

This 2% increase over the pre-tax sale arrears penalty rate will encourage payment on properties that are eligible to be listed for tax sale, and therefore reduce outstanding tax arrears. The higher rate is the first step in the future direction the Finance Department has indicated in the report on due dates for payment of realty and Business Taxes and the rate of penalty on arrears where the following may be implemented:

1) an additional 5% penalty on July 1 on unpaid current taxes over and above the existing monthly penalty rate.

2) a higher penalty rate on taxes remaining unpaid after December 31.

The ongoing computerization of systems in the Tax Branch will allow the accounts receivable system to accommodate these alternatives in 1993. Amendments to The City of Winnipeg Act may also be required. Recommendations will be forwarded once study and review is completed.

Your Committee on Finance and Administration submits for favourable consideration draft by-law to provide the penalty rate to be added to the amount required to redeem land which has been sold for non-payment of arrears of taxes or costs within one (1) year from the date of sale pursuant to Section 245(1) of The City of Winnipeg Act, and recommends the penalty be 6% over the City's bank prime rate of borrowing (calculated as set out in the by-law).

Your Committee also recommends that the Proper Officers of the City do all things necessary to implement the above recommendations including the execution of any documents related thereto.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

Appointment of Council Representatives to the Management Committee for the Lindenwoods Joint Venture Agreement.
File FI-2.4.5

185 - 8. Council at its Organizational Meeting held on November 6th, 1991, requested your Committee on Finance and Administration to recommend the appointment of two Council representatives and an alternate to the Management Committee for the Lindenwoods Joint Venture Agreement.

Your Committee on Finance and Administration recommends the appointment of Councillor Demare and Councillor Wade as the Council representatives to the Management Committee for the Lindenwoods Joint Venture Agreement.

Report of the Committee on Finance and Administration, dated November 12th, 1991.

For the information of Council, your Committee on Finance and Administration did not appoint an alternate to the above mentioned Committee.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

Appointment of Representatives to the Employee Benefits Board.
Files GU-3.9 and GC-7

186 - 9. Council at its Organizational Meeting held on November 6th, 1991, requested your Committee on Finance and Administration to recommend the appointment of four representatives to the Employee Benefits Board pursuant to By-law No. 5300/89.

Your Committee on Finance and Administration recommends the appointment of Mrs. E. A. Frame, Mr. M. J. Shibley, Mr. R. L. Borland and Mr. R. J. Linton as administrative representatives on the Employee Benefits Board for a term expiring November, 1992.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

Appointment of Members of the Committee on Finance and Administration to the Winnipeg Arts Advisory Council.
Files FG-3 and GC-7

187 - 10. Council at its Organizational Meeting held on November 6th, 1991, requested your Committee on Finance and Administration to recommend for appointment one Councillor and an alternate as the Committee's representative on the Winnipeg Arts Advisory Council.

Your Committee recommends Councillor Demare as the Committee's representative and Councillor Yuen as the alternate on the Winnipeg Arts Advisory Council for the term expiring November, 1992.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

CONSIDERATION OF REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

The Executive Policy Committee has had before it the Report of the Committee on Finance and Administration, dated November 19th, 1991, has concurred in the recommendations contained therein and submits same to Council for approval and adoption.

On motion of Councillor Selinger, the Report of the Committee on Finance and Administration, dated November 19th, 1991, was considered.

West Committee Room,
Council Building, Winnipeg.
November 19th, 1991.

His Worship the Mayor and Councillors:

Your Committee on Finance and Administration submits the following Report and recommends:

Appointments of Citizen Members to the
Board of Revision - 1992.
Files AB-1 & GC-7

188 - 1. Your Committee on Finance and Administration has considered applications for the Board of Revision received from a number of citizens and recommends that the following persons be appointed as citizen members on the Board of Revision for the year 1992, namely:-

1. Boisvert, Roland
2. Bradet-Tapper, Michelle
3. Butterworth, Tom
4. Cardoso, John Antonio
5. Frain, Jane A.
6. Gerrie, Donald I.
7. Greenaway, William K.
8. Hamel, Denis J. J.
9. Lyons, Kevin
10. Muirhead, Donald William
11. McGarva, Gordon W.
12. McLeod, John
13. Newton, C. H. (Bud)
14. Oliver, George F.
15. Parkhill, Nancy Ann
16. Poapst, Allan D.
17. Ritcher, Wayne Douglas
18. Robb, James M.
19. Scott-Herridge, Dennis Victor
20. Sytkowski, Les
21. Trachtenberg, Sam
22. Walter, Michael K.
23. Wedding, Adrian Philip
24. Wolfe, Bernie

Your Committee also recommends that Mr. Donald I. Gerrie be appointed as Presiding Officer of the said Board for the year 1992.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

Councillor Mendelson asked to be recorded as having voted against the clause, in accordance with Section 50.7 of the Procedure By-law.

COMMITTEE ON FINANCE AND ADMINISTRATION

MOTIONS

Moved by Councillor Selinger,
Seconded by Councillor Demare,
189 - WHEREAS:

(a) Pursuant to its By-law No. 5794/91, The City of Winnipeg authorized the expropriation of an interest by way of easement in the lands described therein and executed a Declaration of Expropriation, dated the 6th day of November, A.D. 1991; and

(b) Pursuant to Section 9(8) (a) of The Expropriation Act R.S.M. 1987, c. E190, the Lieutenant Governor in Council has deemed it necessary and in the public interest that The City of Winnipeg, a confirming authority, make its order confirming its Declaration of Expropriation herein without an inquiry being conducted;

BE IT RESOLVED that the Declaration of Expropriation dated November 6th, 1991, executed pursuant to By-law No. 5794/91, and expropriating respectively an interest in the following lands:

The Easement taken for Assiniboine River Walkway Purposes as same is shown bordered on a plan of survey of part of River Lot One, of the Parish of Saint John in Manitoba, prepared by Laurence Oliver LeClair, Manitoba Land Surveyor and sworn to by him on the 31st day of October, 1991, a copy of which is submitted herewith

namely, the right and easement to enter on and pass over and along the said lands at any time with vehicles, personnel, equipment, and machinery necessary or convenient for the purpose of laying, constructing, installing, operating, inspecting, maintaining, renewing and replacing a walkway for use by the public at large and the rights to do any excavating necessary for the performance of that work; the easement is expropriated free of any and all encumbrances and interests,

be and the same is hereby confirmed.

Carried.

COMMITTEE ON FINANCE AND ADMINISTRATION

CONSIDERATION OF BY-LAWS

190 - On motion of Councillor Selinger, the following By-laws were each read a first, second and third time, the rule being suspended for the third reading of each by-law, and were passed and ordered to be signed and sealed, namely:-

By-law No. 5795/91, a By-law of the City of Winnipeg to amend By-law No. 821/74, being a By-law relating to mobile houses, tourist camps and trailer parks. File No. EL-8.

By-law No. 5796/91, a By-law of the City of Winnipeg to fix the date on which realty and business taxes shall be due and payable and to establish a rate of penalties to be added to taxes in arrears. File No. FL-2.

By-law No. 5797/91, a By-law of the City of Winnipeg to provide for discounts where realty or business taxes are prepaid. File No. FL-2.1.

By-law No. 5798/91, a By-law of the City of Winnipeg to provide for the payment of realty taxes by instalments. File No. FL-2.

By-law No. 5799/91, a By-law of the City of Winnipeg to establish the rate of penalty to be added to the amount required to redeem land sold for non-payment of arrears of taxes within one year from the date of sale. File No. FL-2.4.