Agenda – Executive Policy Committee – December 8, 2017

BUDGET REVIEW

Item No. 9 Local Streets Renewal Reserve (LSRR) and the Regional Streets Renewal Reserve (RSRR)

COUNCIL DECISION:

On June 21, 2017, Council referred the following recommendations to the 2018 Capital Budget process:

1. That Council adopt a policy that the 2/3rd vote requirement needed to transfer or reduce funding in the Local Streets Renewal Reserve (LSRR) and the Regional Streets Renewal Reserve (RSRR) be extended to the entire Local and Regional Streets program, including all base program funding, but not limited to that, and that this be based on the 2017 Adopted Budget numbers for that program;

2. That the original Chart documenting the funding plan for the Local and Regional Streets program, that started in the 2013 Capital Budget for Local Streets, and was expanded in 2014 for Regional Streets, and included up to and in the 2015 Capital Budget program and in all those Capital Budget Appendixes, be restored in the 2018 Capital Budget Book, and every budget thereafter.

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DECISION MAKING HISTORY:

COUNCIL DECISION:

On June 21, 2017, Council passed the following motion:

Moved by Councillor Wyatt,
Seconded by Councillor Eadie,

WHEREAS in the 2013 Budget, Council established the Local Street Renewal Reserve (LSRR), with the dedication of a One Percent of a new property tax increase, and with clear goals and principles, namely:

A) to build the said reserve via dedicated annual tax increases;
B) to build a fund that was a long-term commitment as the infrastructure deficit cannot be eliminated in one year or in one political term;
C) to build the said reserve and that it would be on and above the existing street funding, known as the "base funding", such as the 'cash to capital' funding, but not limited to that, and therefore no 'shell game';
D) that the program would be open and transparent, and that a "chart" of the existing overall program plan and it is a long term funding target would be published via the budget, to illustrate the existing total funding and the level of funding required each and every year going forward, with detail of funding levels and source of funds, in order to reach a level of 'managed care' of our roads;
E) And that the said funds in the new LSRR cannot be moved or transferred for other purposes unless there is a 2/3rds vote of Winnipeg City Council;

AND WHEREAS in the 2014 Budgets, Council established the Regional Street Renewal Reserve (RSRR), with the dedication of an additional One Percent of a new property tax increase, with the same clear goals and principles as adopted for the LSRR program as outlined above in the first WHEREAS clause;

AND WHEREAS the funding of the Local and Regional Streets program was undermined by the 2016 Capital Budget which eliminated the transparent reporting of both programs by removing the said "chart" which was in every Budget book since 2013 and ensured accountability and transparency of a program that was long-term in nature, and was crucial in not only illustrating the past funding levels, but more importantly projected out 20 plus years the funding level required to arrive at the level of 'managed care', versus 'crisis care', which is the nature of our existing streets program due to the massive infrastructure deficit and a lack of funding;

DECISION MAKING HISTORY:

COUNCIL DECISION (continued):

AND WHEREAS the Local and Regional Streets program suffered a second major setback when, in the 2017 Capital Budget, the decision was made to cut funds out of the base program, namely by reducing the historic cash to capital funding of our Local and Regional Streets program, and moving it to balance the operating budget, and that this decision directly stalled the progress previously being made to build up funding for both Local and Regional Streets, as well as projecting to make future budget cuts to the cash to capital funding;

AND WHEREAS only the funding via the LSRR and the RSRR are subject to the 2/3rds vote rule of Council to protect the funds, and that the historic base program has no such policy for protecting those funds;

AND WHEREAS Mayor Bowman continually states that Road renewal is Winnipeg's number one priority, however the decision to cut the historic base funding for roads in the 2017 Capital Budget and the elimination of the open and transparent reporting of the original Chart in the 2016 Budget, demonstrates that Council's action, via the 2016 and 2017 Budgets, presented by the Mayor and his Executive Policy Committee, undermines the long term goal of increasing funding to repair our streets;

THEREFORE BE IT RESOLVED that Council adopt a policy that the 2/3rd vote requirement needed to transfer or reduce funding in the Local Streets Renewal Reserve (LSRR) and the Regional Streets Renewal Reserve (RSRR) be extended to the entire Local and Regional Streets program, including all base program funding, but not limited to that, and that this be based on the 2017 Adopted Budget numbers for that program;

AND BE IT FURTHER RESOLVED that the original Chart documenting the funding plan for the Local and Regional Streets program, that started in the 2013 Capital Budget for Local Streets, and was expanded in 2014 for Regional Streets, and included up to and in the 2015 Capital Budget program and in all those Capital Budget Appendixes, be restored in the 2018 Capital Budget Book, and every budget thereafter.