**Agenda – Council – January 25, 2018**

**Report – Standing Policy Committee on Finance – December 7, 2017**

**Item No. 1 Financial Status Report and Forecast to October 31, 2017**

STANDING COMMITTEE RECOMMENDATION:

On January 10, 2018, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Finance and submitted the following to Council:

1. That the Financial Status Report and Forecast to October 31, 2017 be received as information.

2. That in the event the General Revenue Fund reports a deficit at year-end, the Financial Stabilization Reserve Fund transfer to the General Revenue Fund, the amount required to avoid a deficit in the General Revenue Fund. If this is required, a replenishment plan starting no later than 2019, of up to 3 years, will be established to bring the Fund to the minimum 6% target of tax-supported expenditures threshold.

**Report – Standing Policy Committee on Finance – December 7, 2017**

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 10, 2018, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Finance and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On December 7, 2017, the Standing Policy Committee on Finance concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

# ADMINISTRATIVE REPORT

**Title:** **Financial Status Report and Forecast to October 31, 2017**

**Critical Path:** **Standing Policy Committee on Finance – Executive Policy Committee – Council**

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| P.Olafson | M. Ruta | M. Ruta | D. McNeil |

## EXECUTIVE SUMMARY

The Financial Status Report and Forecast to October 31, 2017 currently anticipates a projected surplus of $1.7 million. This has improved from the $0.4 million surplus previously reported (as at September 30).

Based on experience of the past few years it is not unusual for the projected surplus to have slight improvements in the final months of the year. The average change over the last three of five reported years between October and year-end is $0.6 million, ranging from a $7.6 million decrease to a $7.4 million increase. Having said that, some of the possible improvements to be realized may have already been recognized through the cost mitigation measures described in this report.

At the March 13, 2017 meeting of the Standing Policy Committee on Finance, the Public Service tabled a report that provided information on the 2017 cost mitigation measures for the City of Winnipeg. The report outlined targeted cost reductions for each tax-supported department, as well as for Transit and Water and Waste. This Financial Status Report includes $9.5 million in tax-supported budget savings through these measures.

The 2017 tax-supported budget includes a transfer up to $5 million from the Financial Stabilization Reserve Fund to the General Revenue Fund. As a result of the 2016 deficit elimination measures and a forecasted short fall of net taxes added for 2017, the Financial Stabilization Reserve is forecasted to afford only $0.1 million at this time, which is included in this report.

Based on the surplus projected in this report, no additional transfer from the Financial Stabilization Reserve Fund is anticipated at this time. This report includes a recommendation in the event an additional transfer is necessary that causes the Financial Stabilization Reserve Fund to fall below the minimum 6% target of tax-supported expenditures. Council approval would be required to allow this reserve to fall below this level and a replenishment plan would be required.

## RECOMMENDATIONS

1) That the Financial Status Report and Forecast to October 31, 2017 be received as information.
2) That in the event the General Revenue Fund reports a deficit at year-end, the Financial Stabilization Reserve Fund transfer to the General Revenue Fund, the amount required to avoid a deficit in the General Revenue Fund. If this is required, a replenishment plan starting no later than 2019, of up to 3 years, will be established to bring the Fund to the minimum 6% target of tax-supported expenditures threshold.

## REASON FOR THE REPORT

On December 17, 1997, City Council approved clause 1 of the report of the Standing Committee on Fiscal Issues, which requires that a periodic report be approved on a quarterly basis by the Standing Committee on Fiscal Issues. Since that time, the Standing Committee on Fiscal Issues has been renamed Standing Policy Committee on Finance.

## IMPLICATIONS OF THE RECOMMENDATIONS

At this time, the Public Service anticipates a projected surplus of $1.7 million. The Public Service anticipates that the projected surplus will increase over the remainder of the year based on financial improvements typically realized from that forecasted for October 31, as well as through continued efforts to control expenses without impacting the delivery of core services. The Public Service monitors the General Revenue Fund on a regular basis.

Recommendation 2 included in this report, concerning a transfer amongst City of Winnipeg funds fall under Section 288(1) of The City of Winnipeg Charter, which requires approval from City Council.

Actual Year-end Scenario - General Revenue Fund Surplus

As approved by Council, annual operating General Revenue Fund surpluses automatically transfer to the Financial Stabilization Reserve Fund.

Actual Year-end Scenario - General Revenue Fund Deficit

Should the General Revenue Fund report a 2017 deficit, the Public Service is recommending a transfer from the Financial Stabilization Reserve. This transfer will cause the Financial Stabilization Reserve Fund to fall below the minimum 6% target of tax-supported expenditures. Council approval would be required to allow this reserve to fall below this level and a replenishment plan would be required.

**HISTORY/DISCUSSION**

The forecasted results at October and the year-end position before final transfers for the General Revenue Fund for the past five years were as follows:

| Year | Surplus (deficit) in millions at October 31 | Surplus (deficit) in millions at December 31 before Final Transfers |
|---|---|---|
| 2016 | $ 2.5 | $ (5.1) |
| 2015 | N/A | 16.3 |
| 2014 | N/A | 0.7 |
| 2013 | (3.7) | (1.8) |
| 2012 | 8.5 | 15.9 |

**2017 Cost Mitigation Measures – Update**

At the March 13, 2017 meeting of the Standing Policy Committee on Finance, the Public Service tabled a report that provided information on the 2017 cost mitigation measures for the City of Winnipeg. The report outlined targeted cost reductions for each tax-supported department, as well as for Transit and Water and Waste. Due largely to record snowfall in December, the 2016 fiscal year ended in a tax-supported deficit prior to Council approved deficit elimination measures. The Council adopted budget for 2017 had estimated a surplus in 2016 of $9.5 million. The City must now manage this shortfall and find $9.5 million in savings in addition to the efficiencies' savings included in the 2017 tax-supported budget. This Financial Status Report includes $9.5 million in tax-supported budget savings through these measures.

In its 2016 year-end Financial Status Report for the General Revenue Fund, a $5.1 million deficit was reported. As a result of previously Council approved deficit elimination measures, $1.4 million was retained in the General Revenue Fund in respect of net supplementary taxes and tax roll adjustments, $0.4 million was also retained in the General Revenue Fund in respect of interest net of investment management fees, and $3.3 million was transferred from the Financial Stabilization Reserve in order to balance for 2016.

The 2017 tax-supported budget includes a transfer of up to $5.0 million from the Financial Stabilization Reserve Fund to the General Revenue Fund. As a result of the deficit elimination measures employed in 2016 and a $2.5 million shortfall in net taxes added forecasted for 2017, the Financial Stabilization Reserve is forecasted to afford only $0.1 million at this time and is reflected, as such, in this report.

**Provincial funding and other**

The Province has introduced a new envelope funding model for the City of Winnipeg. In discussions with Provincial representatives, the City was notified that Transit and Winnipeg Police Services grants would be consistent with 2016 actual funding without inflationary increases resulting in a forecasted budget shortfall in 2017.

**Transit**

Transit's financial status has been significantly impacted by changes to the Provincial funding model and less than expected passenger revenue.

The following table depicts summarized financial information for Transit (also see Schedule 4):

| | October Forecast | 2017 Budget | October Forecast Variance | September Forecast Variance |
|---|---|---|---|---|
| Passenger fares and other revenue | $ 81.9 | $ 87.9 | $ (6.0) | $ (6.3) |
| Province of Manitoba transfer | 40.1 | 48.3 | (8.2) | (8.2) |
| TOTAL | 122.0 | 136.2 | (14.2) | (14.5) |
| Expenses | 179.4 | 182.3 | 2.9 | 2.7 |
| Transfer to SWRT Payment Reserve | 3.4 | 5.1 | 1.7 | 1.7 |
| TOTAL | 182.8 | 187.4 | 4.6 | 4.4 |
| DEFICIT BEFORE OTHER ITEMS | (60.8) | (51.2) | (9.6) | (10.1) |
| Transfer to Bus Replacement Reserve | (0.2) | (3.9) | 3.7 | 3.9 |
| Transfer from General Revenue Fund | 56.0 | 55.1 | 0.9 | 1.2 |
| Deficit | (5.0) | - | (5.0) | (5.0) |
| Retained Earnings, beginning of the year | 12.2 | 12.2 | - | - |
| Allocated to Capital Spending | (7.1) | (11.1) | 4.0 | 4.0 |
| Retained Earnings, end of year | $ 0.1 | $ 1.1 | $ (1.0) | $ (1.0) |

In May, the Province tabled Bill 36, *The Budget Implementation and Tax Statutes Amendment Act, 2017.* The Act repealed the 50/50 funding formula relating to Transit operating costs. The reduced level of provincial funding combined with the decreased transfer related to the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve has resulted in a shortfall in the Provincial transfer of $8.2 million.

Transit is also experiencing a forecasted shortfall of $5.6 million relating to declining passenger revenue (included in the $6.0 million shortfall in passenger fares and other revenue disclosed in the table above). Lower ridership than planned is the primary reason for this. Compared to 2015, sample passenger counts indicate weekday ridership has declined by 9%. Ridership is influenced by many factors such as gasoline prices, demographics, weather, etc. Decrease in ridership is a national and North American trend and has been reported by many cities including Calgary, Ottawa, and Toronto.

The department is forecasting $4.6 million in cost savings to help offset the impact of reduced ridership and Provincial funding. Included in this total is a reduced transfer of $1.7 million to the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve. In 2015, the Province committed to funding $1.7 million towards eligible bus purchases and has recently indicated they would not be providing this previously committed funding.

The department also is contributing $1.8 million of $9.5 million, to the City's cost mitigation measures, thereby reducing the transfer from the General Revenue Fund. It is accomplishing this through a combination of reducing the transfer to the Bus Replacement Reserve ($0.4 million) and using a portion of retained earnings to partially fund 2017 operations ($1.4 million, which was approved at the June 21, 2017 Council meeting).

In order to reduce the financial impact to the General Revenue Fund, the Transit department has also identified additional savings options to help balance its budget. A report with savings options tabled at the September 15, 2017 meeting of Standing Policy Committee on Finance was approved by Council on September 28, 2017. The additional savings options include a decrease in transfer to the Bus Replacement Reserve of $3.3 million and a deferral of capital spending utilizing retained earnings of $3.6 million. These options have been included in this report which results in a decrease, of the transfer to Transit from the General Revenue Fund to $0.9 million, as noted in the table on the previous page, as well as schedules 2 and 3.

### Police Services

The Police Services has been notified that it will not receive $0.6 million relating to 2016 programs. Further, as a result of the new funding model, an additional shortfall of $0.6 million for 2017 programs exists. The total impact to the Police Department's net revenues is $1.2 million related to 2016 and 2017 Provincial funding decisions for the cadet and helicopter maintenance programs.

### Fire Paramedic Service

The Fire Paramedic Service has been in discussions with the Winnipeg Regional Health Authority (WRHA) regarding funding for ambulance services for both 2017 and future years. These discussions are ongoing and no decisive funding agreement has been reached. This forecast has been prepared on that basis assuming the current funding model will continue. If this were to subsequently change, there will be a significant impact to the forecast presented.

### Summary

In addition to the operating budget implications noted above, capital budgets will be impacted. The City and the Province are continuing discussions regarding Provincial funding to the City for 2017 and 2018.

## Assessment Appeals

Consistent with past reports, included in the Assessment and Taxation Department's forecast is an additional provision of $2.2 million concerning outstanding assessment appeals (for a total forecasted 2017 expense of $6.3 million). For accounting purposes, the department estimates a value representing what outstanding assessment appeals may cost the City. The additional provision made in 2017 represents the estimated shortfall for this account as of December 31, 2016.

Under the previous four-year assessment cycle, the number of appeals outstanding decreased in the third and fourth year which allowed the department, tax agents and the Municipal Board to schedule and complete a larger number of appeals prior to the end of the assessment cycle. The City is currently in its fourth two-year assessment cycle and a trend is developing with respect to the pace Municipal Board Appeals are scheduled, heard and determined. At October 31, 2017, approximately 1,400 assessment appeals are outstanding.

The liability to the City is also impacted by interest applied to the outstanding appeals. Pursuant to *The Municipal Act (Interest on Excess Taxes Regulation 51/97)*, interest payable on tax refunds resulting from successful appeals is set at 4.75% per year.

A recent analysis of the assessment appeal liability indicates that another $4.6 million is required to fully fund the estimated liability. This unfunded liability has been considered in the 2018 budget process.

**Other**

Corporate Finance Department has prepared this report showing forecasted revenues and expenses to December 31, 2017, for the General Revenue Fund, Utility Funds and Municipal Accommodations Fund. This information was obtained from departments and was based on actual data as at October 31, 2017.

Attachments included are the following:

Schedule 1 – The City of Winnipeg – General Revenue Fund – Financial Status Report and Forecast;

Schedule 2 – The City of Winnipeg – General Revenue Fund – Budget Variances;

Schedule 3 – The City of Winnipeg – General Revenue Fund – Reconciliation of October to September Forecast;

Schedule 4 – The City of Winnipeg – Summary by Fund; and

Schedule 5 – The City of Winnipeg – General Revenue Fund – Net Mill Rate by Department.

**FINANCIAL IMPACT**

## Financial Impact Statement Date: November 21, 2017

## Project Name:

## Financial Status Report October 31, 2017

**COMMENTS:**

This report is prepared for information purposes.

**Melissa Wensel**
Acting Manager of Financial Reporting and Accounting Services

## CONSULTATION

This Report has been prepared in consultation with:

All City of Winnipeg Departments

## OURWINNIPEG POLICY ALIGNMENT

01-3 Prosperity Direction 1 Provide Efficient and Focused Civic Administration and Governance. This report supports demonstration of accountability by the City's public service through reporting.

## SUBMITTED BY

Department: Corporate Finance
Division: Corporate Controller's
Prepared by: Melissa Wensel
Date: November 21, 2017
File No:
Attachments:

## THE CITY OF WINNIPEG - GENERAL REVENUE FUND
## FINANCIAL STATUS REPORT AND FORECAST

**Schedule 1**

*Actual for the ten month period ended October 31, 2017*
*forecasted for the year ending December 31, 2017*
*(in thousands of dollars)*
*(unaudited)*

| | Adopted Budget | Forecast | Variance From Budget | Year to Date Actual |
|---|---|---|---|---|
| ***REVENUES*** | | | | |
| Taxation | $ 678,845 | $ 677,778 | $ (1,067) | $ 564,550 |
| Government transfers | 127,789 | 126,728 | (1,061) | 115,281 |
| Sale of goods and services | 62,796 | 60,509 | (2,287) | 49,592 |
| Regulation fees | 59,210 | 56,934 | (2,276) | 45,395 |
| Other | 39,121 | 39,724 | 603 | 2,506 |
| Payments-in-lieu of taxes | 36,134 | 36,135 | 1 | 30,061 |
| Interest | 34,102 | 36,002 | 1,900 | 32,738 |
| Transfer from other funds | 41,512 | 28,330 | (13,182) | 16,335 |
| Total Revenues | 1,079,509 | 1,062,140 | (17,369) | 856,458 |
| ***EXPENSES*** | | | | |
| Assessment and taxation | 20,856 | 21,548 | (692) | 13,929 |
| Audit | 1,379 | 1,250 | 129 | 785 |
| Chief administrative offices | 4,353 | 4,194 | 159 | 3,608 |
| City clerks | 14,947 | 14,625 | 322 | 11,996 |
| Community services | 114,892 | 112,233 | 2,659 | 93,755 |
| Corporate | 59,197 | 59,047 | 150 | 49,139 |
| Corporate finance | 9,073 | 8,171 | 902 | 7,058 |
| Corporate support services | 35,996 | 35,074 | 922 | 27,705 |
| Council | 3,532 | 3,474 | 58 | 2,732 |
| Fire paramedic service | 199,219 | 196,053 | 3,166 | 160,559 |
| Legal services | 3,078 | 3,098 | (20) | 2,603 |
| Mayor's office | 1,863 | 1,668 | 195 | 859 |
| Museums | 1,031 | 1,031 | - | 1,022 |
| Planning, property and development | 45,598 | 44,840 | 758 | 34,993 |
| Police services | 288,000 | 284,482 | 3,518 | 235,725 |
| Policy and strategic initiatives | 812 | 704 | 108 | 539 |
| Public works | 229,991 | 225,256 | 4,735 | 192,968 |
| Street lighting | 13,399 | 12,379 | 1,020 | 10,274 |
| Water and waste | 32,293 | 31,343 | 950 | 23,209 |
| Total Expenses | 1,079,509 | 1,060,470 | 19,039 | 873,458 |
| ***FORECASTED SURPLUS*** | $ - | $ 1,670 | $ 1,670 | $ (17,000) |

Notes:
(1) See Schedule 5 for comparable departmental view.

**THE CITY OF WINNIPEG - GENERAL REVENUE FUND** **Schedule 2**
**BUDGET VARIANCES ARISING FROM THE**
**OCTOBER 31, 2017 FORECAST**
**FOR THE YEAR ENDING DECEMBER 31, 2017**

*(in millions of dollars)*
*(unaudited)*

**Corporate Accounts:**

Unfavourable variance in Corporate Accounts is mostly related to the following:

| | | | | |
|---|---|---|---|---|
| • a further transfer to Transit is forecasted due to: | | | | |
| · lower provincial funding. | | $ (8.2) | | |
| · decrease in fare and other revenue. | | (6.0) | | |
| · reduction in transfer to the SWRT Payment Reserve. | | 1.7 | | |
| · other expenses. | | 2.9 | | |
| · approval of savings measures by Council: | | | | |
| · reduced transfer to Bus Replacement Reserve. | 3.3 | | | |
| · utilization of retained earnings | 3.6 | 6.9 | (2.7) | |
| • cost mitigation measures relating to Transit: | | | | |
| · reduced transfer to Bus Replacement Reserve. | | 0.4 | | |
| · utilization of retained earnings. | | 1.4 | 1.8 | |
| Net additional transfer to Transit | | | (0.9) | |
| • a shortfall in the transfer from the General Purpose Reserve due to the 2016 deficit. | | | (9.5) | |
| • a decrease in budgeted savings. | | | (7.7) | |
| • a shortfall in the transfer from the Financial Stabilization Reserve. | | | (4.9) | |
| • savings from adjustments to provisions. | | | 8.0 | |
| • savings in debt and finance charges. | | | 1.5 | |
| • other. | | | 0.5 | $ (13.0) |
| The Street Lighting's favourable variance is mainly due to light and power cost savings. | | | | 1.0 |

**Planning, Property and Development:**

| | | |
|---|---|---|
| • As part of the cost mitigation measures, Planning, Property and Development is reporting savings to expenses and additional revenues. | 0.7 | |
| • The remaining favourable variance is mostly related to savings from position vacancies. | 0.4 | 1.1 |
| The Police Services department's favourable variance is mainly due to savings associated with the new collective agreement with the Winnipeg Police Association. These savings are offset by lower Provincial funding relating to the cadet program and police helicopter. | | 1.8 |

**THE CITY OF WINNIPEG - GENERAL REVENUE FUND** **Schedule 2**
**BUDGET VARIANCES ARISING FROM THE**
**OCTOBER 31, 2017 FORECAST**
**FOR THE YEAR ENDING DECEMBER 31, 2017 (CONTINUED)**

*(in millions of dollars)*
*(unaudited)*

| | | |
|---|---|---|
| **Corporate Finance:** | | |
| • As part of the cost mitigation measures, Corporate Finance is reporting savings to expenses. | **0.5** | |
| • The remaining favourable variance is mostly related to savings from higher capital construction interest and other revenues and recoveries. | **1.5** | **2.0** |
| **Community Services:** | | |
| • As part of the cost mitigation measures, Community Services is reporting savings to expenses. | **1.1** | |
| • The remaining favourable variance is mostly related to savings from position vacancies and revenues exceeding budget. | **1.8** | **2.9** |
| **Public Works:** | | |
| • As part of the cost mitigation measures, Public Works is reporting savings in expenses and additional revenues. | **3.0** | |
| • The remaining variance is mostly related to savings from position vacancies and insect control expenditures due to favourable weather conditions. These savings are offset by an unfavourable variance in snow clearing program expenditures, relating to the ongoing snow clearing and removal from December 2016. | **0.2** | **3.2** |
| Other departmental cost mitigation measures. | | **2.4** |
| Other departmental revenues and expenses. | | **0.3** |
| ***Forecasted Surplus*** | | **$ 1.7** |

(1) See Schedule 1 and 5 for breakdown of other departmental revenues and expenses.

**THE CITY OF WINNIPEG - GENERAL REVENUE FUND** **Schedule 3**

**RECONCILIATION OF SEPTEMBER TO OCTOBER FORECAST**

**OCTOBER 31, 2017 FORECAST**

**FOR THE YEAR ENDING DECEMBER 31, 2017**

*(in millions of dollars)*
*(unaudited)*

| | |
|---|---|
| Forecasted General Revenue Fund Surplus - September 30, 2017 | **$ 0.4** |
| Other departmental revenues and expenses. | **1.3** |
| ***Forecasted General Revenue Fund Surplus - October 31, 2017*** | **$ 1.7** |

## THE CITY OF WINNIPEG - SUMMARY BY FUND
## FINANCIAL STATUS REPORT AND FORECAST

**Schedule 4**

*Actual for the ten month period ended October 31, 2017*
*forecasted for the year ending December 31, 2017*
*(in thousands of dollars)*
*(unaudited)*

| | Adopted Budget | Forecast | Variance From Budget | Actual |
|---|---|---|---|---|
| **General Revenue Fund** | | | | |
| Revenues | $ 1,079,509 | $ 1,062,140 | $ (17,369) | $ 856,458 |
| Expenses | 1,079,509 | 1,060,470 | 19,039 | 873,458 |
| Surplus/(Deficit) | $ - | $ 1,670 | $ 1,670 | $ (17,000) |
| **Transit System** | | | | |
| Revenues | $ 136,158 | $ 121,996 | $ (14,162) | $ 102,917 |
| Expenses | 182,246 | 179,437 | 2,809 | 142,039 |
| Transfer to SWRT Payment Reserve | (5,100) | (3,400) | 1,700 | (3,400) |
| | (51,188) | (60,841) | (9,653) | (42,522) |
| Transfer to Bus Replacement Reserve | (3,938) | (160) | 3,778 | - |
| Transfer from General Revenue Fund | 55,126 | 56,056 | 930 | 47,366 |
| Surplus/(Deficit) | $ - | $ (4,945) | $ (4,945) | $ 4,844 |
| **Waterworks System** | | | | |
| Revenues | $ 128,502 | $ 125,683 | $ (2,819) | $ 104,491 |
| Expenses | 77,401 | 75,049 | 2,352 | 69,438 |
| | 51,101 | 50,634 | (467) | 35,053 |
| Transfer to Water Main Renewal Reserve | (16,500) | (16,500) | - | (12,375) |
| General Revenue Fund | (14,943) | (14,943) | - | - |
| Surplus Prior to Principle Debt Repayments | 19,658 | 19,191 | (467) | 22,678 |
| Principle Debt Repayments | (4,462) | (4,462) | - | - |
| Surplus | $ 15,196 | $ 14,729 | $ (467) | $ 22,678 |

## THE CITY OF WINNIPEG - SUMMARY BY FUND
## FINANCIAL STATUS REPORT AND FORECAST

*Actual for the ten month period ended October 31, 2017*
*forecasted for the year ending December 31, 2017*
*(in thousands of dollars)*
*(unaudited)*

| | Adopted Budget | Forecast | Variance From Budget | Actual |
|---|---|---|---|---|
| **Sewage Disposal System** | | | | |
| Revenues | $ 181,250 | $ 175,951 | $ (5,299) | $ 146,190 |
| Expenses | 87,002 | 81,078 | 5,924 | 79,177 |
| | 94,248 | 94,873 | 625 | 67,013 |
| Transfer to Reserves | (37,870) | (36,738) | 1,132 | (13,655) |
| Transfer to General Revenue Fund | (32,090) | (31,668) | 422 | (9,532) |
| Surplus | $ 24,288 | 26,467 | 2,179 | 43,826 |
| **Solid Waste Disposal** | | | | |
| Revenues | $ 44,483 | $ 46,307 | $ 1,824 | $ 31,926 |
| Expenses | 42,191 | 39,006 | 3,185 | 26,454 |
| | 2,292 | 7,301 | 5,009 | 5,472 |
| Transfer to Reserves | (377) | (1,350) | (973) | (264) |
| Surplus Prior to Principle Debt Repayments | 1,915 | 5,951 | 4,036 | 5,208 |
| Principle Debt Repayments | (2,179) | (2,196) | (17) | - |
| Surplus/(Deficit) | $ (264) | $ 3,755 | $ 4,019 | $ 5,208 |
| **Municipal Accommodations Fund** | | | | |
| Revenues | $ 75,242 | $ 74,746 | $ (496) | $ 60,993 |
| Expenses | 64,309 | 63,739 | 570 | 48,681 |
| | 10,933 | 11,007 | 74 | 12,312 |
| Transfer to: | | | | |
| General Revenue Fund | (10,933) | (11,007) | (74) | (170) |
| Surplus | $ - | $ - | $ - | $ 12,142 |

## THE CITY OF WINNIPEG - GENERAL REVENUE FUND

**Schedule 5**

## FINANCIAL STATUS REPORT AND FORECAST

*forecasted for the year ending December 31, 2017*
*(in thousands of dollars)*
*(unaudited)*

| | *Revenues* | | | *Expenses* | | | *Net Mill Rate* |
|---|---|---|---|---|---|---|---|
| | **Adopted Budget** | **Forecast** | **Variance Budget/ Forecast** | **Adopted Budget** | **Forecast** | **Variance Budget/ Forecast** | **Variance Budget/ Forecast** |
| Assessment and taxation | $ 673,002 | $ 673,473 | $ 471 | $ 20,856 | $ 21,548 | $ (692) | $ (221) |
| Audit | - | - | - | 1,379 | 1,250 | 129 | 129 |
| Chief administrative offices | - | - | - | 4,353 | 4,194 | 159 | 159 |
| City clerks | 531 | 1,030 | 499 | 14,947 | 14,625 | 322 | 821 |
| Community services | 17,792 | 18,010 | 218 | 114,892 | 112,233 | 2,659 | 2,877 |
| Corporate | 137,876 | 124,711 | (13,165) | 59,197 | 59,047 | 150 | (13,015) |
| Corporate finance | 5,439 | 6,509 | 1,070 | 9,073 | 8,171 | 902 | 1,972 |
| Corporate support services | 2,096 | 1,596 | (500) | 35,996 | 35,074 | 922 | 422 |
| Council | - | - | - | 3,532 | 3,474 | 58 | 58 |
| Fire paramedic service | 64,330 | 61,407 | (2,923) | 199,219 | 196,053 | 3,166 | 243 |
| Legal services | 653 | 696 | 43 | 3,078 | 3,098 | (20) | 23 |
| Mayor's office | - | - | - | 1,863 | 1,668 | 195 | 195 |
| Museums | - | - | - | 1,031 | 1,031 | - | - |
| Planning, property and development | 41,424 | 41,751 | 327 | 45,598 | 44,840 | 758 | 1,085 |
| Police services | 47,104 | 45,370 | (1,734) | 288,000 | 284,482 | 3,518 | 1,784 |
| Policy and strategic initiatives | - | - | - | 812 | 704 | 108 | 108 |
| Public works | 76,462 | 74,971 | (1,491) | 229,991 | 225,256 | 4,735 | 3,244 |
| Street lighting | - | - | - | 13,399 | 12,379 | 1,020 | 1,020 |
| Waterworks and waste | 12,800 | 12,616 | (184) | 32,293 | 31,343 | 950 | 766 |
| ***Forecasted Surplus*** | $ 1,079,509 | $ 1,062,140 | $ (17,369) | $ 1,079,509 | $ 1,060,470 | $ 19,039 | $ 1,670 |