EPC: A SUSTAINABLE BUDGET?

AN ELMWOOD GUY PRODUCTION

Winnipeg

A STRUCTURAL DEFICIT

Why are we faced with “difficult decisions” every year?

IDENTIFYING THE PROBLEM

"In the past, our City relied heavily on nonrecurring, one-time revenues…

It is clear we can no longer continue doing the same things, in the same way."

— *2014 City of Winnipeg Annual Financial Report, page 6*

IDENTIFYING THE PROBLEM

"Winnipeg, in keeping taxes affordable, has included one-time revenues and deferral of spending and maintenance costs in City budgets. This is not a sustainable model."

— *2014 City of Winnipeg Annual Financial Report, page 42*

IDENTIFYING THE PROBLEM

- **2015 Annual Financial Report (page 43)**
- **2016 (page 40)**
- **2017 (page 46)**
- **2018 (page 45)**
- **2019 Community Trends (page 187)**

2020-2023 PROPOSED BUDGET: A FAMILIAR THEME

"Expenditure reductions and transfers from reserves are unreliable."

— *2020 Structural Deficit Presentation, page 44*

"Reliance on non-recurring one-time revenues and deferral of spending and maintenance costs is non-sustainable."

— *2020-2023 Proposed Budget, Volume II, page 51*

2020-2023 PROPOSED BUDGET: WHAT THE?!?

- **$118 million in expenditure reductions**
- **$193 million of additional debt**
- **$17 million draw from Fiscal Stabilization Reserve**
- **$47 million in reduced capital spending (deferral of maintenance)**

2020-2023 PROPOSED BUDGET: WHAT THE?!?

HOW DID WE GET HERE?

WE STARTED WITH THIS…

2.33%

WHEN WE SHOULD HAVE STARTED WITH THIS…



CAN WE HAVE A MINUTE?

REAL TALK

WITH THE

MAYOR

WHO ASKED FOR 2.33%?

- **Brian Bowman – 114,222**
- **Someone Else – 100,081**
- **Nobody Please – 1,700**
- **Stayed Home – 294,280**

WHO ASKED FOR 2.33%?

- **Brian Bowman – 114,222**

22% of eligible voters

15% of all Winnipeggers

WHO WANTS 2.33%?

Next to nobody…

What a relief!

GREAT NEWS!

WELCOME BACK EVERYONE!

A PATH FORWARD…

"It is clear we can no longer continue doing the same things, in the same way."

A PATH FORWARD…

- **Increase taxes to avoid service cuts**
- **Reallocate low-ROI road spending to high-ROI investments like Public Trees, Transit, Active Transportation**

THANK YOU

We have a structural deficit.

It's high time we start fixing the structure.