Agenda – Standing Policy Committee on Finance and Economic Development – January 16, 2026

REPORTS

Item No. 1 2025 Budget Adjustment - Planning, Property and Development

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the Planning, Property and Development Department be authorized to overspend its 2025 operating expenditures budget by $1.49 million.

2. That, subject to approval of Recommendation 1, the Planning, Property and Development Department be authorized to utilize projected under-expenditures in salaries and benefits to offset projected over-expenditures in non-salaries and benefits accounts.

3. That the Proper Officers of the City be authorized to do all the things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: 2025 Budget Adjustment - Planning, Property and Development

Critical Path: Standing Policy Committee on Finance and Economic Development

AUTHORIZATION

Author	Department Head	CFO	CAO
M. McGinn	B. Jasper (Acting for H. Borys)	T. Graham	J. Dunford

EXECUTIVE SUMMARY

The Planning, Property and Development Department forecasts it will be under budget by $315,000.

Salaries and benefits are projected to be under budget by $1.8 million. Other operating expenditures are projected to be over budget by $1.49 million.

The Public Service cannot use its salary and benefit savings without approval from the Standing Policy Committee. It is seeking approval to do so.

RECOMMENDATIONS

1. That the Planning, Property and Development Department be authorized to overspend its 2025 operating expenditures budget by $1.49 million.

2. That, subject to approval of Recommendation 1, the Planning, Property and Development Department be authorized to utilize projected under-expenditures in salaries and benefits to offset projected over-expenditures in non-salaries and benefits accounts.

3. That the Proper Officers of the City be authorized to do all the things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Approval by the Standing Policy Committee on Finance and Economic Development is required for additional operating expenditures, and to offset over-expenditures by transferring funds from salaries and benefits accounts to non-salaries and benefits accounts.

Clause 9.1 of By-Law No. 7100/97 states that "The Standing Policy Committee on Finance and Economic Development may approve additional appropriations to an operating budget including approval of reallocations of funds provided in an operating budget of the city for a purpose other than that set out in the budget, and approval of additional operating expenditures."

IMPLICATIONS OF THE RECOMMENDATIONS

Subject to Standing Policy Committee approval, the Planning, Property and Development Department will utilize under expenditures on salaries and benefits to offset net over expenditures on non-salaries and benefits account groups.

There will be no impact on the Financial Stabilization Reserve.

HISTORY/DISCUSSION

The Planning, Property and Development Department is projecting to be over budget by approximately $1.49 million on non-salaries expenditures. The primary reason for this is a change in an accounting standard; specifically, Public Sector Accounting Board (PSAB) Section 3400 – Revenue. This change resulted in an unbudgeted transfer to the City Cemeteries Reserve of $1.33 million. Another contributing factor is grants-in-kind of $337,000. Recoveries are projected to be over budget by approximately $236,000, which reduces the net non-salaries and benefits over-expenditure to $1.49 million. To mitigate the impact of these items, it is recommended that under-expenditures on salaries and benefits be authorized to offset the over-expenditures. Each of these is discussed below.

<u>Over-Expenditure related to PSAB 3400</u>

The over-expenditure in 2025 is derived from Cemeteries Branch revenues recognized in 2024.

Prior to 2024, the full amount of prepaid interment options (i.e. purchase of a plot / lot, niche / cremorial or scattering as well as the open/close fees) were deferred. That is, revenue was not recognized until a future year when interment took place. Beginning with the 2024 fiscal year, the City of Winnipeg was required to recognize revenue from the sale of property (i.e. plot / lot or niche / cremorial sales) in 2024 or earlier. As a result, $5.34 million in revenue was recognized at 2024 year-end.

The Cemeteries By-law (130/2007), Section 12 states that there will be a City Cemeteries Reserve created and that *"a sum equal to 25 percent of the purchase price of a lot, plot or cremated remains lot/plot, or a sum equal to 15 percent of a cremorial or niche purchase, or a sum equal to 10 percent of a scattering of cremated remains, set aside in the reserve, invested and applied to and for the perpetual care of the lot or plot or cremated remains lot/plot, cremorial, niche, scattering bed or ossuary area."*

Historically, the transfer to the City Cemeteries Reserve was processed in March of the following year. In general, prior to 2024, Cemeteries revenue for plot/lot sales and niches/cremorials was consistent from year to year as was the transfer to the City Cemeteries Reserve. Given the "one-time" recognition of $5.34 million in revenue in 2024, the transfer to the City Cemeteries Reserve processed in 2025 was $1.33 million greater (i.e. an unbudgeted expenditure) than it would have been had PSAB 3400 not come into effect for 2024.

Grants-in-Kind for the Redevelopment of the Bay Downtown

On June 23, 2022, Council approved *"That a grant of up to $350,000 be approved to reimburse Southern Chiefs' Organization for the estimated cost of permit and planning fees paid on this project"* and *"that… an offsetting transfer from the Permit Reserve Fund to the current budget of the Planning, Property and Development Department, be approved."* The first permit fees payable (+/- $23,000) for this project occurred in 2024 with the remaining $337,000 being payable in 2025. The balance in the Permit Reserve Fund available for transfer to the Department's current budget is $nil so this $337,000 cannot be offset.

Recoveries

The primary reason for recoveries being over budget is the inclusion of unbudgeted recoveries of Housing Accelerator Fund initiative full-time equivalents (FTEs), totaling $191,000.

Salaries and Benefits Under-Expenditure

From 2020 to 2024, on average, the Department has exceeded its salaries and benefits budget by $170,000 (offset by a transfer from the Permit Reserve Fund). For 2025, the September forecast included a projected under-expenditure of $1.8 million or 5.4 percent. This is attributable to two factors: one, an increase of 10 budgeted FTEs (staff resources required to meet Provincial permitting regulations) and higher than normal turnover resulting in several vacancies, some of which have been extended due to recruitment challenges.

Approval of Recommendation 1 of this report will enable the Department to utilize under expenditure on salaries and benefits to offset over-expenditure on non-salaries and benefits costs.

FINANCIAL IMPACT

Financial Impact Statement

Date: November 4, 2025

Project Name:

First Year of Program 2025

2025 Budget Adjustment - Planning, Property and Development

	2025	2026	2027	2028	2029
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - (Enter Description Here)	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 1,490,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 1,490,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	1,490,000	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Direct costs consist of net over-expenditures in non-salaries & benefits accounts. Existing budget amounts represent an offsetting portion of the under-expenditure on salaries and benefits. A budget amendment will be processed to increase non-salaries & benefits account groups and decrease salaries & benefits by an equivalent amount. **There is no impact on the balance in the Financial Stabilization Reserve.**

Mike McGinn Nov. 4, 2025
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Corporate Finance Department

OURWINNIPEG POLICY ALIGNMENT

Leadership and Good Governance
Objective 3: Achieve community-responsive service delivery through an aligned, integrated, collaborative and results-oriented organizational culture.

Relevant Policies:
1.6 Results-Based Budgeting
1.8 Accountable Revenue Generation

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP) and its Goals and Objectives, and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Planning, Property and Development
Division: Financial Services
Prepared by: Mike McGinn
Date: November 14, 2025
File No: N/A

Attachment: N/A