Minutes – Executive Policy Committee – March 16, 2005

OPERATING BUDGET REVIEW

Minute No. 270 Executive Policy Committee - 2005 and 2006 Operating Budget Recommendations
File FE (2005)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the Preliminary 2005 and 2006 Operating Budget, as amended, and recommends to Council:

1. That the 2005 Operating Budget as tabled at the Executive Policy Committee meeting of February 25, 2005, and amended by Recommendation 2, be adopted.

2. That the following additions to the Tax-Supported Operating Budget be made, namely:

   A. That the 2005 Community Services Department budget be increased by $100,000 for library materials;

   B. That the 2005 Public Works Department budget be increased by $200,000 as a contribution toward the City's costs to relocate the Manitoba Hydro transmission lines in the vicinity of Whittier Park;

   C. That the City Clerk's Department budget be increased by $30,000 in 2005 and 2006 to increase Local Per Capita Grants;

   with offsetting reductions in corporate costs.

3. That the 2006 Projection as outlined in the financial summary tabled at the Executive Policy Committee meeting of February 25, 2005, as amended by Recommendation 2 above, be adopted in principle.

4. That the City's 2005 mill rate remain fixed at the 2002 level of 29.686.

5. That the City's business tax rate for 2005 be set at 7.75% for the downtown geographic area as defined in the Downtown Winnipeg By-law No. 100/2004, and remain frozen at the 1996 level of 9.75% for areas outside the downtown.

6. That the price of seniors' regular transit tickets and passes be reduced effective July 1, 2005 (a further 25% discount for a total 50% discount from full regular pricing) as follows:

   A. Ten (10) tickets be reduced from $12.00 to $9.00;

   B. A Super Pass (Monday to Sunday) be reduced from $12.00 to $9.00; and

   C. A monthly bus pass be reduced from $46.20 to $34.65.

7. That $5 million in previously approved 2005 capital projects be held back and not proceeded with to reduce debt and finance charges in the tax-supported operating budget, and that the City's capital requirements, including these projects, be reconsidered when the City receives new gas tax revenues. Specifically:

   A. That $1,319,000 for Public Works' streets program relating to St. Mary's Road from Dunkirk Drive to Greendell Avenue be referred to the 2006 Capital Budget process.

   B. That funding in an amount of $1,000,000 for Public Works' local street renewal program be reduced, inasmuch as surplus funds from last year's program exist to complete the 2005 approved capital works.

   C. That the 2005 Capital Budget be reduced by $1,581,000 for the Redwood Bridge, and that expenditures be authorized before the 2006 Capital Budget is adopted in this amount as a first call on the 2006 Capital Budget to allow timely tendering of contracts.

   D. That $100,000 for Cemeteries Improvements be referred to the 2006 Capital Budget process.

   E. That the Combined Sewer Flood Relief project be reduced by $670,000 and the Combined Sewer Renewals project be reduced by $330,000 and that frontage levy financing in these amounts be applied to approved street renewal capital works included in the 2005 Capital Budget.

8. That 2005 funding of $940,000 for the City's Affordable Housing Initiative be provided from the General Purpose Reserve to the Housing Rehabilitation Investment Reserve for the following programs:

   A. $140,000 for Flora Place Redevelopment

   B. $200,000 for Aboriginal Housing

C. $600,000 for the 4 Housing Improvement Zones ($150,000 each for William Whyte, Spence, North Point Douglas and West Broadway)

9. That the transfers to/from utility operations and reserves, as well as the fees and charges outlined in the tax-supported budget submission be approved.

10. That the regulations governing the Fiscal Stabilization Reserve be amended to permit transfers to or from this Reserve to offset any variance in the revenue projections for net supplementary taxes used in the budget and the actual amounts achieved, and that any corresponding transfers be approved.

11. That, in accordance with subsection 215(4) of The City of Winnipeg Charter with respect to Special Service Units, authorization be given to the Fleet Management Agency SOA to finance a portion of its fleet purchase requirements through external sources, including from the City's bank, or from any other persons or corporations, including The City of Winnipeg Sinking Fund Trustees, of up to $6 million, in order to discontinue advance payments from City departments, thereby reducing the pressure on their operating budgets, and that the Fleet Management Agency SOA report back on any further future financing requirements.

12. That the City Solicitor/Manager of Legal Services be instructed to prepare the necessary by-law(s) to implement the above recommendations.

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

DECISION MAKING HISTORY:

Moved by Councillor Clement,

That the 2005 and 2006 Operating Budget be approved with the following amendments:

- Add the following as Recommendations 1, 2, 3 and 8:

1. That the 2005 Operating Budget as tabled at the Executive Policy Committee meeting of February 25, 2005, and amended by Recommendation 2, be adopted.

2. That the following additions to the Tax-Supported Operating Budget be made, namely:

   A. That the 2005 Community Services Department budget be increased by $100,000 for library materials;

   B. That the 2005 Public Works Department budget be increased by $200,000 as a contribution toward the City's costs to relocate the Manitoba Hydro transmission lines in the vicinity of Whittier Park;

   C. That the City Clerk's Department budget be increased by $30,000 in 2005 and 2006 to increase Local Per Capita Grants;

   with offsetting reductions in corporate costs.

3. That the 2006 Projection as outlined in the financial summary tabled at the Executive Policy Committee meeting of February 25, 2005, as amended by Recommendation 2 above, be adopted in principle.

8. That 2005 funding of $940,000 for the City's Affordable Housing Initiative be provided from the General Purpose Reserve to the Housing Rehabilitation Investment Reserve for the following programs:

   A. $140,000 for Flora Place Redevelopment

   B. $200,000 for Aboriginal Housing

   C. $600,000 for the 4 Housing Improvement Zones ($150,000 each for William Whyte, Spence, North Point Douglas and West Broadway)

DECISION MAKING HISTORY (continued):

- Concur in Recommendation Nos. 3 to 10 and 12 as outlined in the Preliminary 2005 and 2006 Operating Budget tabled at the Executive Policy Committee on February 25, 2005, and renumber the recommendations accordingly,

and forwarded to Council.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 25, 2005, the Executive Policy Committee tabled the Preliminary 2005 and 2006 Operating Budget and concurred in Recommendation Nos. 1 and 2, namely:

1. That the Preliminary 2005 Operating Budget as outlined in the financial summary be forwarded to all Members of Council for their review.

2. That the 2006 Projection (intended to be submitted to Council for adoption in principle) as outlined in the financial summary be forwarded to all Members of Council for their review.

Further, the Executive Policy Committee referred the Preliminary 2005 and 2006 Operating Budget to the Standing Policy Committees for review in accordance with the following timetable, namely:

February 28 to March 7, 2005	Standing Policy Committees - Review
March 14, 2005	Executive Policy Committee – Delegations
March 16, 2005	Executive Policy Committee – Recommendations to Council
March 22, 2005	Council Meeting