

Winnipeg

2005

Preliminary Operating Budget

Operating

Letter from the Mayor and the Chairperson of Fiscal Issues

February 25, 2005

To: All Members of Council

Re: Preliminary 2005 and 2006 Operating Budget

The City's preliminary 2005 and 2006 operating budget for both its tax-supported and utility operations is now being submitted to all Members of Council for their consideration.

The budget process is really about the priorities of our citizens. It sets the framework for Winnipeg's ability to grow, compete and deliver. It is the means for us to respond to the needs and expectations of those who elected us.

In last summer's by-election, the people of Winnipeg endorsed a vision of a Winnipeg that is growing, competitive, safe and fun. A city where there is an opportunity for everyone. This budget represents the first opportunity to connect this vision with the priorities and needs identified by city councillors.

The document being tabled today holds the line on property taxes, reduces the business tax rate for downtown businesses from 9.75% to 7.75% for 2005, and provides deeper discounts on regular transit tickets and passes for seniors effective July 1st, 2005.

In terms of services, public safety has clearly been a priority of our citizens and the City's budget has reflected this priority. Budgets for emergency services form our largest tax-supported expenditure area, representing 35% of the budget. The second largest spending area is on public works, such as our street system, land drainage, garbage collection and street lighting, representing 27% of the tax-supported budget. This budget maintains its focus on those priorities.

We have been able to accomplish this through an increase in our assessment base, administrative efficiencies, holding some capital spending as the federal government develops their gas-tax sharing plans, and other initiatives. The City's core services have been preserved and the costs of inflation and wage pressures met.

Despite these efforts, pressures on our financial bottom line continue to escalate. Over the past two years, we have lobbied strenuously for improved cost sharing with other levels of government, so that our City will have a revenue structure that will ensure appropriate service levels for our citizens on a sustainable basis and allow us to tackle our infrastructure deficit.

While we have seen some success on that front, some capital projects approved for 2005 will be held to reduce debt and finance charges in the tax-supported operating budget.

These projects will be reconsidered when the City receives new federal gas tax revenues. Again, we will be actively working with other levels of government to confirm the timing and the amount of this revenue.

The new share of casino revenue announced by the Province in the Throne Speech has not been included in the budget at this time, as we have not been advised of the amount that we will be receiving in 2005. Based on the Provincial Throne Speech, the commitment is a five per cent share of net revenues from city casinos starting this year, increasing to a ten per cent share in 2006. We will be working with the Province to finalize details of this funding. Once we have more solid information, we will review the complement of police officers and discuss priorities with the Winnipeg Police Service.

While our budget for 2005 is balanced and freezes property taxes, further efforts to balance the budget for 2006 are required. These efforts will continue after the 2005 budget is passed in March. Presently there remains a $16.6 million shortfall for 2006, similar to the shortfall projected for 2006 during last year's budget process.

During the coming weeks, there will be a number of opportunities for all members of Council, as well as members of the general public, to obtain more detailed information about the preliminary budget.

The budget is now being referred to all members of Council for their review. All members of Council and interested citizens are invited to participate actively in the budget review process to help shape the future of our City.

Respectfully submitted,



Sam Katz,
Mayor



Bill Clement,
Chairperson,
Standing Committee on Fiscal Issues

2005 Preliminary Operating Budget



February 25, 2005

Winnipeg

THE CHALLENGES

- Beginning the budget process with a significant shortfall
- City's commitment to a competitive tax environment
- Maintaining service levels to meet program needs
- Infrastructure maintenance and renewal requirements
- Inflationary increases

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HIGHLIGHTS

- No increase in property taxes – 8 years of tax freezes and reductions
- Business taxes:
  - rate for downtown businesses reduced to 7.75%
  - rate for other businesses frozen for the 10th year in a row
- Reduced fares for seniors' regular transit tickets and passes
- Funding for public safety remains a priority
- Front line essential services maintained
- Continuing fiscal restraint

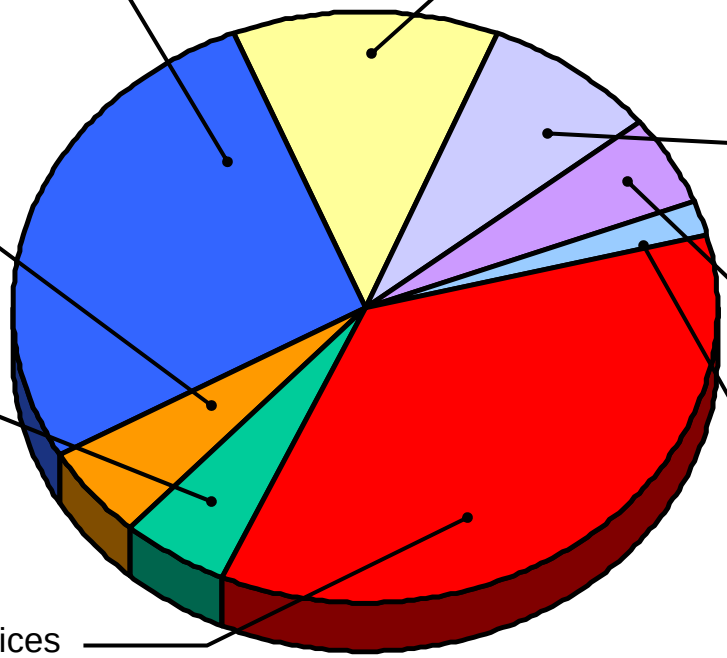
BUDGET SUMMARY

In Millions of $	2004 Budget	2005 Preliminary Budget
REVENUE		
Property Taxes	$ 387.6	**$ 391.5**
Business Taxes	61.9	**59.2**
Net Taxes Added (property and business)	4.8	**11.1**
Other	239.9	**245.2**
TOTAL	**$ 694.2**	**$ 707.0**
EXPENDITURES		
Departmental	$ 628.7	**$ 640.4**
Corporate	65.5	**66.6**
TOTAL	**$ 694.2**	**$ 707.0**
SURPLUS / (DEFICIT)	**$ -**	**$ -**

Tax-Supported

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HOW IS THE MONEY SPENT IN THE OPERATING BUDGET?



Street System, Solid Waste collection, Land Drainage and Street Lighting
$192.6 million
27.3%

Transit Subsidy
$33.8 million
4.8%

Property, Development, Planning, Permits and Buildings
$38.7 million
5.5%

Police and Fire Paramedic Services
$250.5 million
35.4%

Community Services (e.g. Libraries, Recreation Services, Food Inspections)
$85.7 million
12.1%

Corporate (e.g. Information Technology, Human Resources, Finance, Assessment, Legal)
$55.2 million
7.8%

Grants, Appeals, and other Corporate Costs
$32.7 million
4.6%

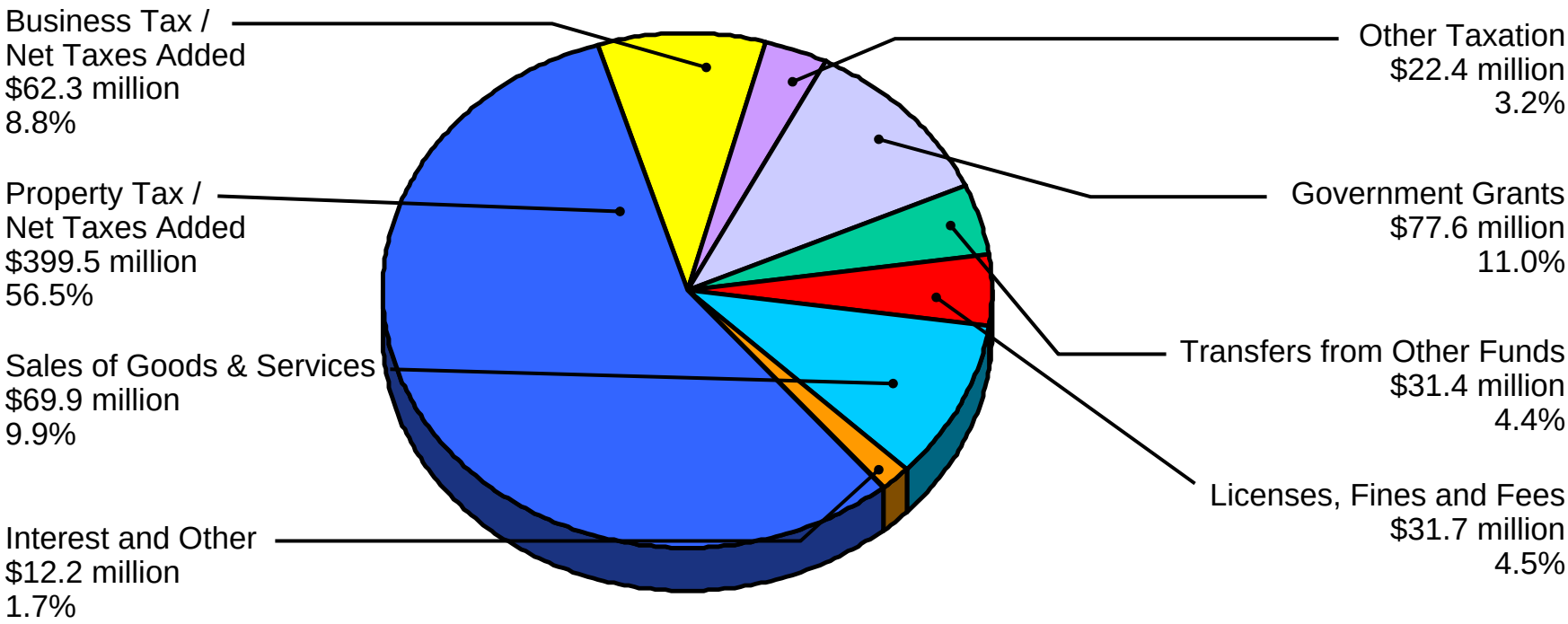
City Clerks, City Council, Mayor's Office, Museums, EPC Secretariat, Audit
$17.8 million
2.5%

2005 Preliminary Operating Budget - $707 million

Tax-Supported

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WHERE DOES THE MONEY COME FROM IN THE OPERATING BUDGET?



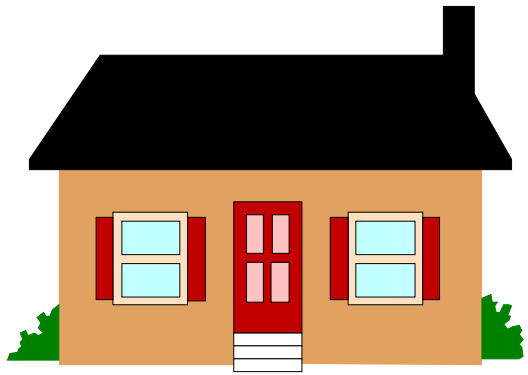
2005 Preliminary Operating Budget - $707 million

Tax-Supported

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A SAMPLE HOME ASSESSED AT $100,000 IN 1999

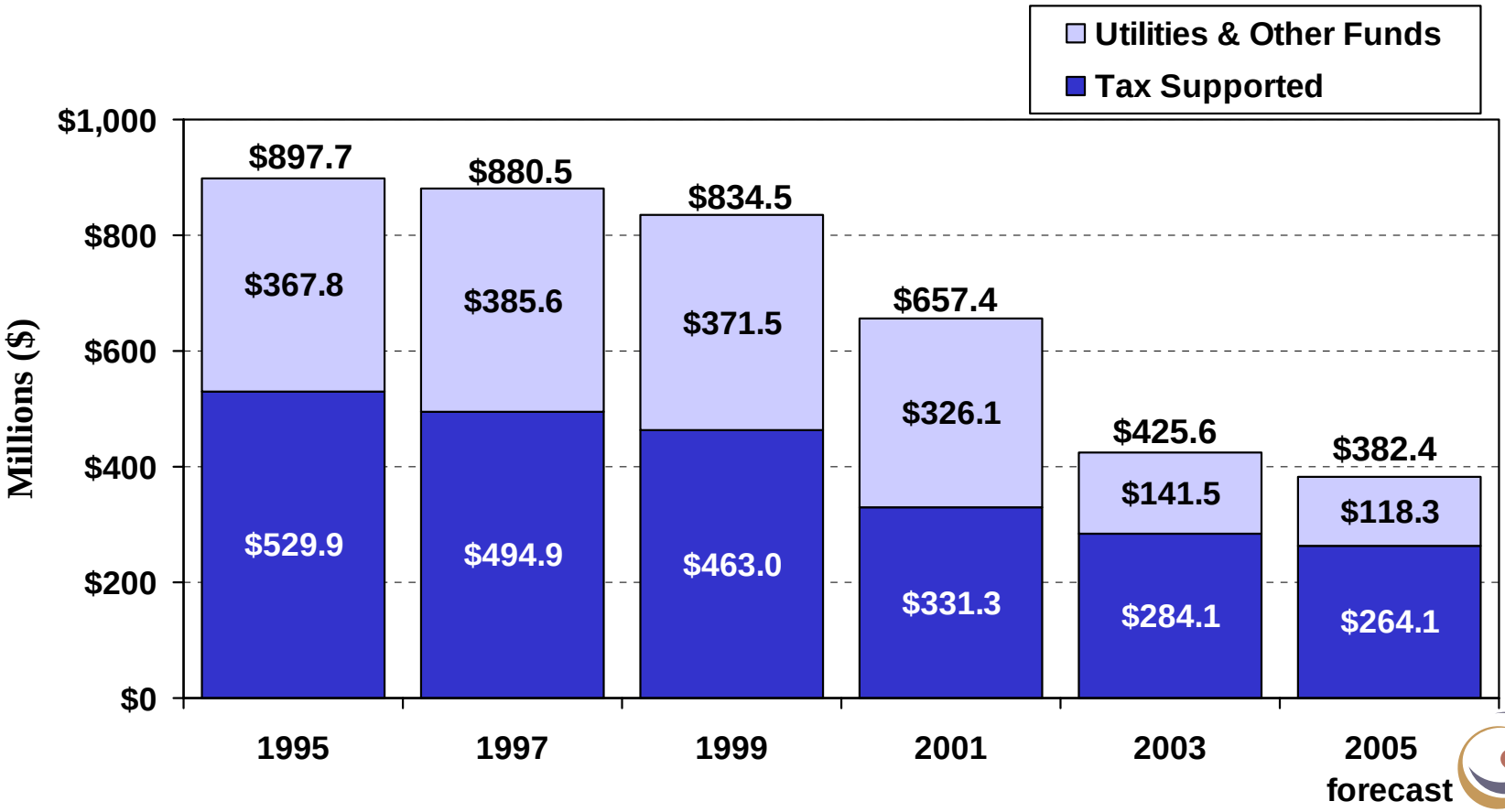
Homeowners are paying lower municipal property taxes now than they did in 1999. The inflation adjusted reduction is much higher.



	1999	2000	2001	2002	2003	2004	2005
Municipal property taxes (excludes school taxes):	$1,506	$1,476	$ 1,446	$ 1,416	$ 1,416	$ 1,416	**$ 1,416**
Decrease from 1999: Amount		$ (30)	$ (60)	$ (90)	$ (90)	$ (90)	**$ (90)**

Due to the 2002 reassessment, the home's assessment for 2002 to 2005 is $106,000.

TOTAL NET DEBENTURE DEBT

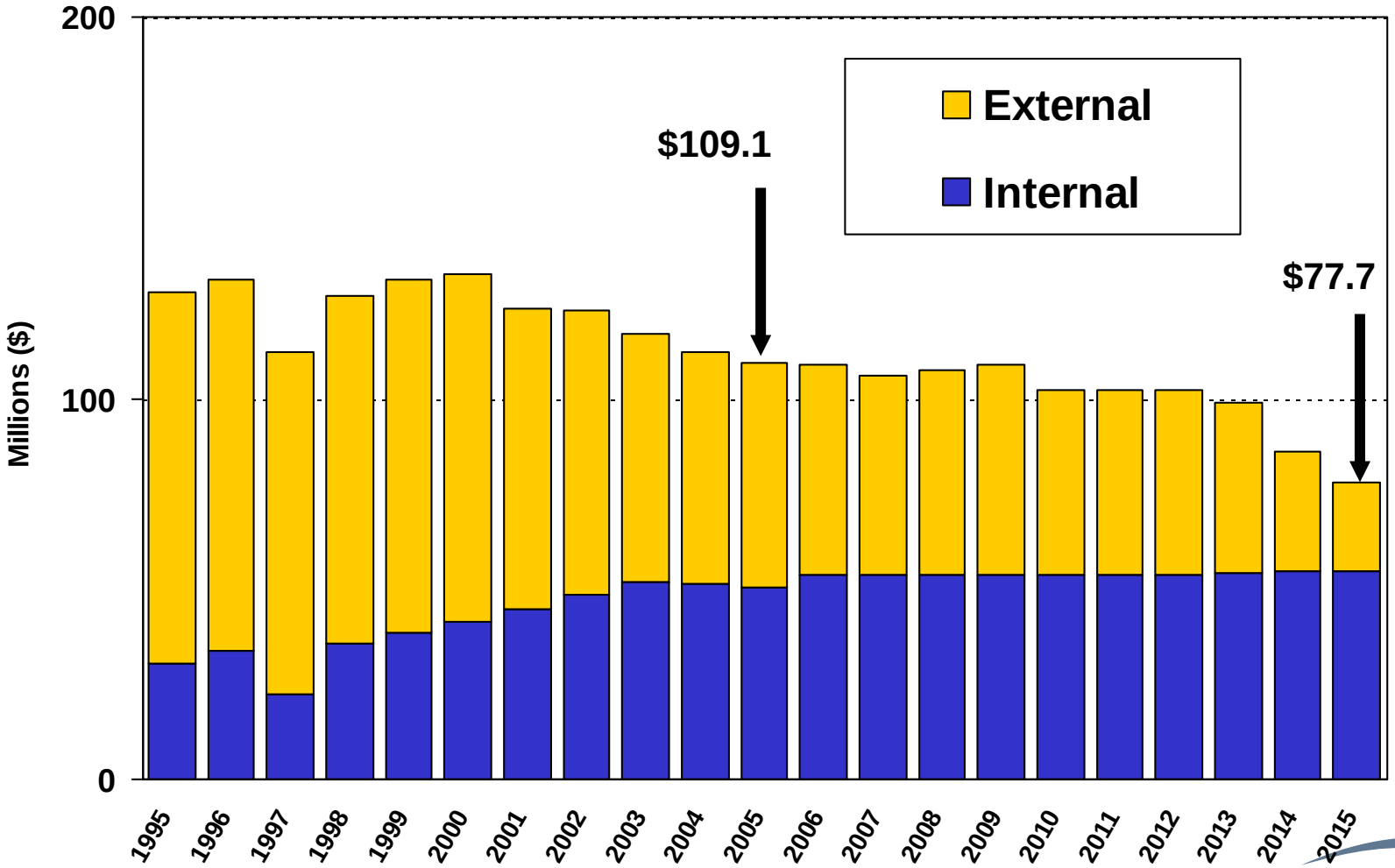


Note: Civic Accommodations and Transit are included with Utilities & Other Funds.

Net debenture debt decreased by 57% from 1995 to 2005. Net tax-supported debenture debt decreased by 50% from 1995 to 2005.

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TAX-SUPPORTED DEBT SERVICING COSTS



Excludes Civic Accommodations and Transit.

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BUDGET PROCESS
NEXT STEPS

- Standing Policy Committees review budget – February 28 to March 7, 2005
- Executive Policy Committee provides for public representation – March 14, 2005
- Executive Policy Committee tables final recommendations – March 16, 2005
- Council conducts final review and adoption – March 22, 2005

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RECOMMENDATIONS

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

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

4. 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.

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

   a) 10 tickets be reduced from $12 to $9;

   b) a Super Pass (Monday to Sunday) be reduced from $12 to $9; and

   c) a monthly bus pass be reduced from $46.20 to $34.65.

6. 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 Council authorize expenditures 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 adopted capital budget.

7. 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.

8. 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.

9. 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.

10. That the City work with the Province to finalize the details of the new revenue-sharing agreement announced in the Throne Speech for a five per cent share of net revenues from city casinos in 2005, increasing to a 10 per cent share in 2006; and that any potential increase to the existing complement of police officers in the Winnipeg Police Service be addressed once the amount and timing of this new revenue is known.

11. That the City Solicitor be instructed to prepare the necessary by-laws to implement the above recommendations.

THE CITY OF WINNIPEG
2005 and 2006 Preliminary Operating Budget
TAX-SUPPORTED SUMMARY

	2004 Budget	2005 Preliminary Budget	Variance	Expl. No.	2006 Projection
Revenue:					
Property tax	$ 387,657,243	**$ 391,507,129**	$ 3,849,886	1	$ 396,164,835
Net property taxes added	4,000,000	**8,000,000**	4,000,000	2	4,000,000
Business tax	62,662,410	**62,273,198**	(389,212)	3	66,107,640
Other taxation	20,975,410	**22,422,558**	1,447,148	4	22,592,813
Government grants	73,066,116	**77,617,329**	4,551,213	5	82,403,207
Regulation fees	34,431,142	**31,678,132**	(2,753,010)	6	33,479,601
Sale of goods and services	68,681,620	**69,900,469**	1,218,849	7	70,835,494
Interest	13,608,119	**11,344,118**	(2,264,001)	8	8,629,463
Transfers from other funds	28,277,517	**31,450,155**	3,172,638	9	31,678,567
Other	874,170	**806,133**	(68,037)	10	802,235
Total Revenue	**$ 694,233,747**	**$ 706,999,221**	**$ 12,765,474**		**$ 716,693,855**
Expenditures:					
Departmental:					
Public Works	$ 147,639,418	**$ 149,598,243**	$ 1,958,825	11	$ 155,614,428
Police Service	140,569,649	**146,695,427**	6,125,778	12	149,600,970
Fire Paramedic Service	103,164,755	**103,784,751**	619,996	13	107,014,040
Community Services	83,029,959	**85,713,552**	2,683,593	14	89,468,342
Planning, Property and Development	39,293,844	**38,729,974**	(563,870)	15	39,770,357
Water and Waste	33,467,772	**33,433,298**	(34,474)	16	33,484,625
Street Lighting	9,609,939	**9,521,957**	(87,982)	17	10,028,023
Corporate Information Technology	16,259,739	**16,518,984**	259,245	18	15,314,974
Corporate Finance	14,979,765	**12,883,495**	(2,096,270)	19	13,150,510
Property Assessment	11,972,498	**12,417,554**	445,056	20	12,695,975
Corporate Services	9,213,240	**10,420,857**	1,207,617	21	9,543,426
CAO Secretariat	2,821,842	**2,941,970**	120,128	22	2,987,067
City Clerks	10,565,128	**11,325,944**	760,816	23	11,578,973
Other departments	6,143,137	**6,454,029**	310,892	24	6,527,456
Sub-total Departmental	$ 628,730,685	**$ 640,440,035**	$ 11,709,350		$ 656,779,166
Corporate:					
Debt and finance charges	$ 12,455,640	**$ 10,472,861**	$ (1,982,779)	25	$ 7,341,337
Taxes	6,159,000	**6,282,000**	123,000	26	6,407,662
Insurance and damage claims	3,553,397	**3,671,947**	118,550	27	3,777,170
Corporate employee benefits	5,006,790	**3,227,879**	(1,778,911)	28	3,310,748
Contribution to Transit	35,454,438	**33,830,967**	(1,623,471)	29	38,085,389
Grants/payments to other authorities	6,716,528	**7,077,212**	360,684	30	7,075,522
Other	(3,842,731)	**1,996,320**	5,839,051	31	10,549,788
Sub-total Corporate	$ 65,503,062	**$ 66,559,186**	$ 1,056,124		$ 76,547,616
Total Expenditures	**$ 694,233,747**	**$ 706,999,221**	**$ 12,765,474**		**$ 733,326,782**
Shortfall	**$ -**	**$ -**	**$ -**		**$ (16,632,927)**

Note: 2004 Budget restated to allocate certain corporate accounts to the responsible department (e.g. grants).

THE CITY OF WINNIPEG

2005 Preliminary Operating Budget

TAX-SUPPORTED REVENUE - 2005 Compared to 2004

Expl. No.	Variance Explanations		Change
1	**Property tax**	**$**	**3,849,886**
	No increase in property tax rate. Revenue estimate adjusted for projected taxable assessment base for 2005.		
2	**Net property taxes added**	**$**	**4,000,000**
	Net increase in property taxes for any properties added to or deleted from the property assessment roll after property tax bills are issued.		
3	**Business tax**	**$**	**(389,212)**
	Business tax rate for the downtown geographic area reduced to 7.75%. Business tax rate for areas outside downtown frozen at 1996 level of 9.75%. Revenue estimate adjusted for projected assessment base for 2005.		
4	**Other taxation**		
	Increase in estimated Electricity and Gas Tax revenue.	$	1,023,276
	Increase in Entertainment Tax revenue completely offset by increased refunds.		441,400
	Decrease in local improvement taxes.		(17,528)
	Total	**$**	**1,447,148**
5	**Government grants**		
	Request for additional provincial cost-sharing / grants.	$	6,000,000
	Decrease in Provincial Tax-sharing grant reflects 2004 actual grant.		(1,483,430)
	Other Provincial and Federal grant revenue.		34,643
	Total	**$**	**4,551,213**

THE CITY OF WINNIPEG

2005 Preliminary Operating Budget

TAX-SUPPORTED REVENUE - 2005 Compared to 2004

Expl. No.	Variance Explanations		Change
6	**Regulation fees**		
	Decrease in revenue budget for Photo Safety Technology Program.	$	(4,000,195)
	Increase in development fees revenue based on Council-approved revised fee structure.		600,000
	Increase in revenue related to temporary surcharge on development applications to cover costs for a review of the Zoning By-law.		200,000
	Other increases, primarily building and street cut permit revenue.		447,185
	Total	**$**	**(2,753,010)**
7	**Sale of goods and services**		
	Increase in revenue from Ambulance user fees as a result of increased call volume.	$	593,782
	Athletic fields additional revenue to go toward increased maintenance, as approved by Council on November 24, 2004.		270,000
	Introduction of a $0.50 monthly Tax Instalment Payment Plan (TIPP) administration fee, effective July 1, 2005.		200,000
	Miscellaneous revenue.		155,067
	Total	**$**	**1,218,849**
8	**Interest**		
	Reduced contribution from the Sinking Fund to $4.1 million.	$	(2,200,000)
	Decrease in other interest and debt charges recoverable.		(64,001)
	Total	**$**	**(2,264,001)**

THE CITY OF WINNIPEG

2005 Preliminary Operating Budget

TAX-SUPPORTED REVENUE - 2005 Compared to 2004

Expl. No.	Variance Explanations	Change
9	**Transfers from other funds**	
	Increases / (decreases) in transfers from utilities and other funds as follows:	
	- Fleet Management Agency	$ 2,919,467
	- Water Utility	603,366
	- Sewer Utility	558,313
	- Solid Waste Disposal Utility	492,295
	- Civic Accommodations Fund	396,719
	- Assiniboine Park Enterprise Fund	117,012
	- Glacial Sand and Gravel Special Operating Agency	50,575
	- Winnipeg Golf Services Special Operating Agency	19,554
	- Facilities Maintenance	15,337
	- General Purpose Reserve	(2,000,000)
	Total	**$ 3,172,638**
10	**Other revenue**	**$ (68,037)**
Total Revenue Variance		**$ 12,765,474**

THE CITY OF WINNIPEG

2005 Preliminary Operating Budget

TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004

Expl. No.	Variance Explanations	Change
11	**Public Works**	
	Increase in funding for Council's Strategic Infrastructure Reinvestment Policy.	$ 1,922,289
	Increase in salaries and benefits.	1,844,868
	Increase in fleet charges.	342,447
	Increase in athletic field maintenance as approved by Council on November 24, 2004.	270,000
	Decrease in debt and finance charges.	(1,774,652)
	GST savings due to full rebate.	(715,698)
	Miscellaneous.	69,571
	Total	**$ 1,958,825**
12	**Police Service**	
	Increase in salaries and benefits.	$ 7,415,161
	Decrease due to completion of radio purchases in 2004.	(525,808)
	GST savings due to full rebate.	(427,667)
	Savings in maintenance costs due to delay in new computerized dispatch system implementation.	(338,578)
	Miscellaneous.	2,670
	Total	**$ 6,125,778**
13	**Fire Paramedic Service**	
	Increase in salaries and benefits.	$ 1,121,206
	Inflationary increase for operational costs.	868,703
	Decrease in fleet charges due to discontinuance of advance payments.	(1,234,772)
	Decrease in debt and finance charges.	(135,141)
	Total	**$ 619,996**

THE CITY OF WINNIPEG

2005 Preliminary Operating Budget

TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004

Expl. No.	Variance Explanations	Change
14	**Community Services**	
	Increase in salaries and benefits.	$ 1,551,169
	Increase in transfer to Public Works for facilities maintenance.	528,931
	Increase in debt and finance charges.	240,307
	Increase in transfer to Library Reserve.	186,435
	Other operational cost increases.	176,751
	Total	**$ 2,683,593**
15	**Planning, Property and Development**	
	Fund Heritage Investment Reserve from year end surpluses.	$ (1,200,000)
	GST savings due to full rebate.	(599,158)
	Non-recurring land transfer costs / real property purchases.	(520,000)
	Increase in salaries and benefits.	964,265
	Increase in debt and finance charges.	347,915
	Additional funding to review Zoning By-law.	200,000
	Other operational cost increases.	243,108
	Total	**$ (563,870)**
16	**Water and Waste**	
	Decrease in debt and finance charges for land drainage.	$ (512,163)
	Decrease in fleet charges for garbage collection due to discontinuance of advance payments.	(477,304)
	Increase in salaries and benefits.	314,928
	Other operational cost increases.	640,065
	Total	**$ (34,474)**
17	**Street Lighting**	**$ (87,982)**
	Miscellaneous adjustments.	

THE CITY OF WINNIPEG

2005 Preliminary Operating Budget

TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004

Expl. No.	Variance Explanations	Change
18	**Corporate Information Technology**	
	Transfer in responsibility for sustainment of new enterprise resource planning system, net of savings from decommissioning of the mainframe.	$ 1,109,513
	Increase in salaries and benefits.	392,987
	Decrease in debt and finance charges.	(934,655)
	Net operational cost decreases, including increased recoveries for service.	(308,600)
	Total	**$ 259,245**
19	**Corporate Finance**	
	Decrease in costs, primarily due to transfer of responsibility for sustainment of new enterprise resource planning system. Responsibility rests with Corporate Information Technology and Corporate Services.	$ (1,958,455)
	Transfer funding for Emergency Preparedness function to CAO Secretariat as approved by Council.	(253,739)
	Increase in debt and finance charges.	115,924
	Total	**$ (2,096,270)**
20	**Property Assessment**	
	Increase in salaries and benefits.	$ 235,187
	Increase in debt and finance charges.	117,481
	Other operational cost increases, primarily facilities costs.	92,388
	Total	**$ 445,056**

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2005 Preliminary Operating Budget

TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004

Expl. No.	Variance Explanations		Change
21	**Corporate Services**		
	Transfer in negotiated CUPE training funds from corporate accounts.	$	1,000,000
	Transfer in responsibility for sustainment of new enterprise resource planning system for human resource components.		202,259
	Other operational cost increases.		5,358
	Total	**$**	**1,207,617**
22	**CAO Secretariat**		
	Transfer in Emergency Preparedness function as approved by Council.	$	253,739
	Transfer funding for Coordinator of Environmental Initiatives from EPC Secretariat as approved by Council.		78,340
	Reduce staffing and operational costs.		(211,951)
	Total	**$**	**120,128**
23	**City Clerks**		
	Increase in funding for the Winnipeg Arts Advisory Council.	$	500,000
	Increase in Board of Revision costs related to the 2006 reassessment process.		394,025
	Grant to the Manitoba Theatre for Young People as approved by Council.		25,000
	Reduce other festivals funding.		(150,000)
	Other operational cost decreases.		(8,209)
	Total	**$**	**760,816**

THE CITY OF WINNIPEG

2005 Preliminary Operating Budget

TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004

Expl. No.	Variance Explanations		Change
24	**Other departments**		
	Funding for administration of the Winnipeg Partnership Agreement.	$	250,000
	Increase in funding for Audit Department.		112,576
	Increase in funding for Seven Oaks Museum as recommended by Lord Selkirk-West Kildonan Community Committee.		2,000
	Transfer funding for Coordinator of Environmental Initiatives from EPC Secretariat to CAO Secretariat as approved by Council.		(78,340)
	Other increases.		24,656
	Total	**$**	**310,892**
25	**Debt and finance charges**	**$**	**(1,982,779)**
	Decrease in Corporate debt and finance charges.		
26	**Taxes**	**$**	**123,000**
	Increase in payroll and other taxes.		
27	**Insurance and damage claims**	**$**	**118,550**
	Increase in budget for insurance premiums and damage claims.		
28	**Corporate employee benefits**		
	Transfer negotiated CUPE training funds to Corporate Services budget.	$	(1,000,000)
	Reduced benefit costs, primarily sick leave and other severance pay requirements.		(778,911)
	Total	**$**	**(1,778,911)**

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2005 Preliminary Operating Budget

TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004

Expl. No.	Variance Explanations		Change
29	**Contribution to Transit**	**$**	**(1,623,471)**
	Decrease in contribution to Transit (refer to variance explanation #6 under "Utility Operations" section of this document for additional information on Transit).		
30	**Grants/payments to other authorities ***		
	Increase in entertainment and business taxes rebated.	$	841,400
	Net change in other grants and payments to other authorities, including non-recurring, one-time funding in 2004 of $275,000 for the Junos.		(480,716)
	Total	**$**	**360,684**
31	**Other**		
	Allocate GST rebate to departments as savings will occur in departmental budgets.	$	7,000,000
	Reduce other corporate expenditures, primarily provisions for doubtful accounts and cost increases.		(1,160,949)
	Total	**$**	**5,839,051**
	Total Expenditure Variance	**$**	**12,765,474**

* Note: See page 11 for list of grants and payments to other authorities included in the 2005 Preliminary Operating Budget.

THE CITY OF WINNIPEG

2005 Preliminary Operating Budget

Listing of Grants and Payments to Other Authorities

		2005
Corporate Grants and Payments to Other Authorities		
Children's Museum	$	67,000
Convention Centre		2,200,000
Corporate Grants - Minimal Municipal Services		300,000
Destination Winnipeg		1,228,000
Elmwood Cemetery		103,000
True North - Business Tax Grant		400,000
True North - Refund of Entertainment Tax		1,500,000
Winnipeg Enterprises - Refund of Entertainment Tax		660,000
Winnipeg Enterprises Amateur Use		75,000
Winnipeg Goldeyes - Property Tax Grant		82,800
Winnipeg Goldeyes - Refund of Entertainment Tax		345,930
Winnipeg Harvest		50,000
Winnipeg Library Board		65,482
Subtotal	**$**	**7,077,212**
Other Grants and Payments to Other Authorities		
Age and Opportunity Centre	$	89,000
Art City		100,000
Block Parents		17,165
Broadway Neighbourhood Centre		115,000
CentreVenture		250,000
Citizens for Crime Awareness		31,795
Citizenship Council of Manitoba		27,000
Cultural Grants		3,674,552
Festival Du Voyageur		40,000
Fort Whyte Centre		40,000
Heritage Winnipeg Corporation		9,000
Housing and Urban Renewal		109,900
Les Jeux de la Francophonie Canadienne		200,000
Local Grants		111,090
Main Street Project		96,000
Manitoba Refugee Sponsorship Assurance Program		30,000
Manitoba Theatre for Young People		25,000
Manitoba Wildlife Federation		5,000
Mediation Services		5,000
National Volleyball Teams		75,000
Pavilion		70,000
Pritchard Place Drop In Centre		40,000
Promotional Pins, etc.		25,000
Rossbrook House		224,339
Senior Citizen Directorate		17,850
Street Festivals		150,000
Take Pride Winnipeg		180,000
Winnipeg Housing Rehabilitation Corporation		200,000
Subtotal	**$**	**5,957,691**
Total Grants and Payments to Other Authorities	**$**	**13,034,903**

THE CITY OF WINNIPEG
2005 and 2006 Preliminary Operating Budget
UTILITY OPERATIONS

	2004 Adopted Budget	2005 Preliminary Budget	Variance	Expl. No.	2006 Projection
	$	$	$		$
Civic Accommodations					
Revenue	29,925,481	**30,983,908**	1,058,427		31,687,305
Expenditure	29,925,481	**30,983,908**	1,058,427		31,687,305
Surplus/(Deficit)	-	**-**	-	1	-
Facilities Maintenance					
Revenue	25,764,509	**26,436,552**	672,043		26,979,573
Expenditure	25,764,509	**26,436,552**	672,043		26,979,573
Surplus/(Deficit)	-	**-**	-	2	-
Sewage Disposal					
Revenue	85,055,933	**95,084,007**	10,028,074		111,497,622
Expenditure	81,240,608	**84,468,922**	3,228,314		92,738,848
Surplus/(Deficit)	3,815,325	**10,615,085**	6,799,760	3	18,758,774
Solid Waste Disposal					
Revenue	14,714,079	**15,898,483**	1,184,404		16,570,500
Expenditure	16,600,151	**17,510,231**	910,080		15,837,993
Surplus/(Deficit)	(1,886,072)	**(1,611,748)**	274,324	4	732,507
Waterworks					
Revenue	75,174,628	**75,675,765**	501,137		76,000,170
Expenditure	70,223,575	**70,596,280**	372,705		72,022,273
Surplus/(Deficit)	4,951,053	**5,079,485**	128,432	5	3,977,897
Transit					
Revenue	107,483,821	**107,928,927**	445,106		113,409,924
Expenditure	107,483,821	**107,928,927**	445,106		113,409,924
Surplus/(Deficit)	-	**-**	-	6	-
Total					
Revenue	**338,118,451**	**352,007,642**	**13,889,191**		**376,145,094**
Expenditures	**331,238,145**	**337,924,820**	**6,686,675**		**352,675,916**
Surplus/(Deficit)	**6,880,306**	**14,082,822**	**7,202,516**		**23,469,178**

THE CITY OF WINNIPEG
2005 Preliminary Operating Budget
UTILITY OPERATIONS - 2005 Compared to 2004

Expl. No.	Variance Explanations		Change
1	**Civic Accommodations**		
	Revenue Changes:		
	Full cost recovery from client departments.	$	1,058,427
	Expenditure Changes:		
	Increase in debt and finance charges.	$	654,088
	Increase in salaries and benefits.		67,783
	Other operational cost increases, primarily related to facility maintenance.		336,556
		$	1,058,427
	Variance	**$**	**-**
2	**Facilities Maintenance**		
	Revenue Changes:		
	Full cost recovery from client departments.	$	672,043
	Expenditure Changes:		
	Operational cost increases including maintenance for recreational facilities.	$	523,908
	Increase due to new 7% retail sales tax on certain services.		148,135
		$	672,043
	Variance	**$**	**-**
3	**Sewage Disposal**		
	Revenue Changes:		
	Increase in Sewer services revenue.	$	10,103,000
	Decrease in other revenue.		(74,926)
		$	10,028,074
	Expenditure Changes:		
	Increase in municipal taxes.	$	1,300,000
	Increase in salaries and benefits.		643,162
	Increase in debt and finance charges.		503,589
	Increase in sewage treatment plant operating costs.		360,000
	Other operational cost increases, primarily engineering support.		421,563
		$	3,228,314
	Increase in Surplus	**$**	**6,799,760**

THE CITY OF WINNIPEG
2005 Preliminary Operating Budget
UTILITY OPERATIONS - 2005 Compared to 2004

Expl. No.	Variance Explanations		Change
4	**Solid Waste Disposal**		
	Revenue Changes:		
	Increase in recycling revenues.	$	880,081
	Increase in landfill revenues.		221,250
	Miscellaneous.		83,073
		$	1,184,404
	Expenditure Changes:		
	Increase in cost of recycling contracts.	$	1,168,112
	Decrease in debt and finance charges.		(319,285)
	Other operational cost increases.		61,253
		$	910,080
	Decrease in Deficit	**$**	**274,324**
5	**Waterworks**		
	Revenue Changes:		
	Increase in Water sales revenue.	$	252,000
	Other revenue, primarily interest income.		249,137
		$	501,137
	Expenditure Changes:		
	Increase in salaries and benefits.	$	1,503,573
	Decrease in transfer to Water Treatment Reserve.		(1,371,000)
	Other operational cost increases including implementation of ultra-violet treatment of the water supply.		240,132
		$	372,705
	Increase in Surplus	**$**	**128,432**

THE CITY OF WINNIPEG
2005 Preliminary Operating Budget
UTILITY OPERATIONS - 2005 Compared to 2004

Expl. No.	Variance Explanations	Change
6	**Transit**	
	Revenue Changes:	
	Increase in passenger revenue, net of implementation of further reduced fares for seniors' tickets and passes. Seniors are those passengers aged 65 and over.	$ 2,040,000
	Decrease in contribution from tax support required.	(1,623,471)
	Miscellaneous.	28,577
		$ 445,106
	Expenditure Changes:	
	Increase in salaries and benefits.	$ 2,081,717
	Increase in diesel fuel and lubricant costs.	249,493
	Reduced transfer to Bus Replacement Reserve.	(1,060,000)
	Decrease in debt and finance charges.	(924,444)
	Miscellaneous.	98,340
		$ 445,106
	Variance	**$ -**
	Total Increase in Surplus	**$ 7,202,516**



Winnipeg