



2004 - 2006

**Adopted
Operating Budget**

Detail

*Adopted by Council
March 23, 2004*

Adopted Operating

2004 to 2006 Adopted Operating Budget



March 23, 2004

THE CHALLENGES

- City's commitment to a competitive tax environment
- Static revenues
- Wage pressures and general price increases
- Maintaining service levels to meet program needs
- Full year costs of approved initiatives
- Infrastructure maintenance and renewal requirements

HIGHLIGHTS

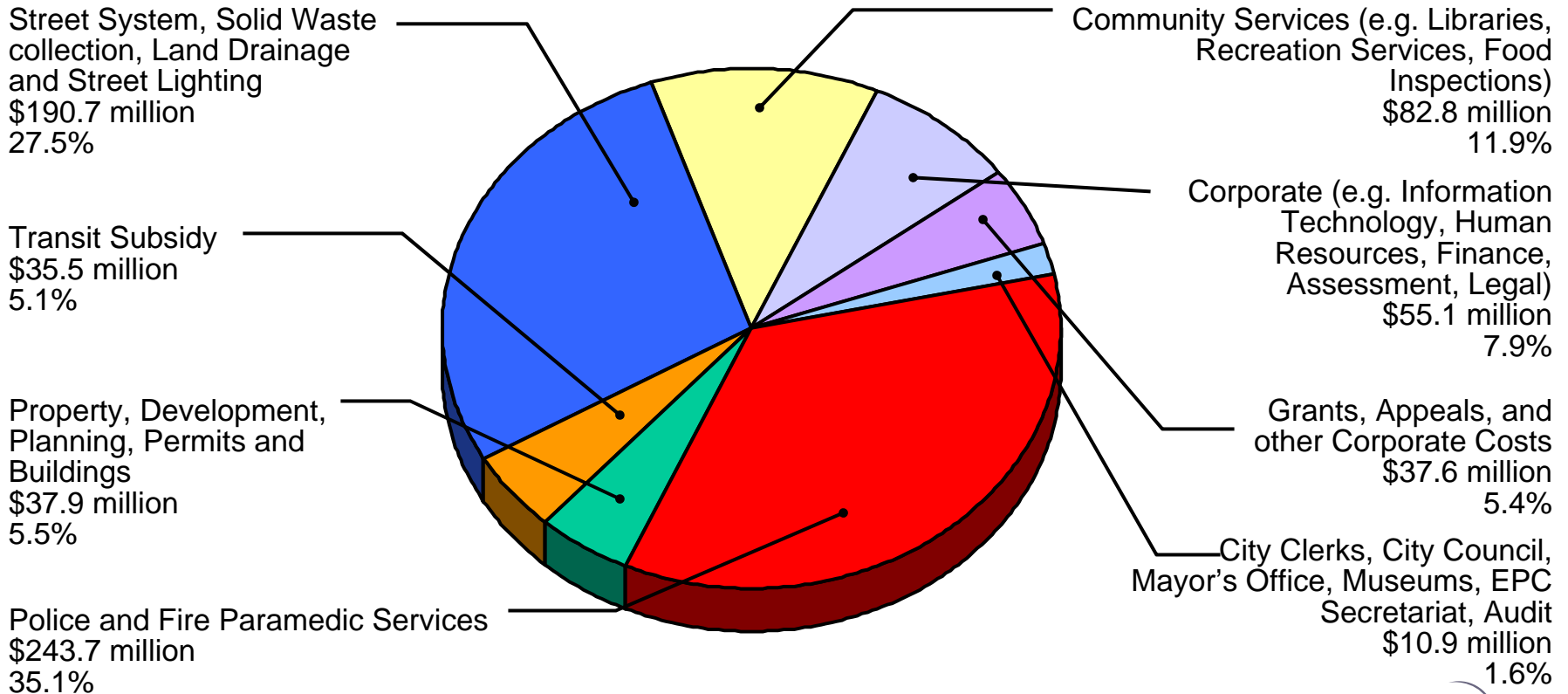
- No increase in property taxes – 7 straight years of tax freezes and reductions
- Business tax rate frozen for the 9th year in a row
- Funding for public safety remains a priority
- The City's second 3-year budget process
- Continuing fiscal restraint
- Front line essential services maintained
- New initiatives

BUDGET SUMMARY

In Millions of \$	2004 Adopted Budget	2005 Projection	2006 Projection
REVENUE			
Property Taxes	\$ 391.6	\$ 379.3	\$ 382.8
Business Taxes	62.7	62.4	67.2
Other	239.9	234.9	234.9
TOTAL	\$ 694.2	\$ 676.6	\$ 684.9
EXPENDITURES			
Departmental	\$ 605.0	\$ 583.9	\$ 589.7
Corporate	89.2	102.3	111.9
TOTAL	\$ 694.2	\$ 686.2	\$ 701.6
SURPLUS / (DEFICIT)	\$ -	\$ (9.6)	\$ (16.7)

Tax-Supported

HOW IS THE MONEY SPENT IN THE OPERATING BUDGET?

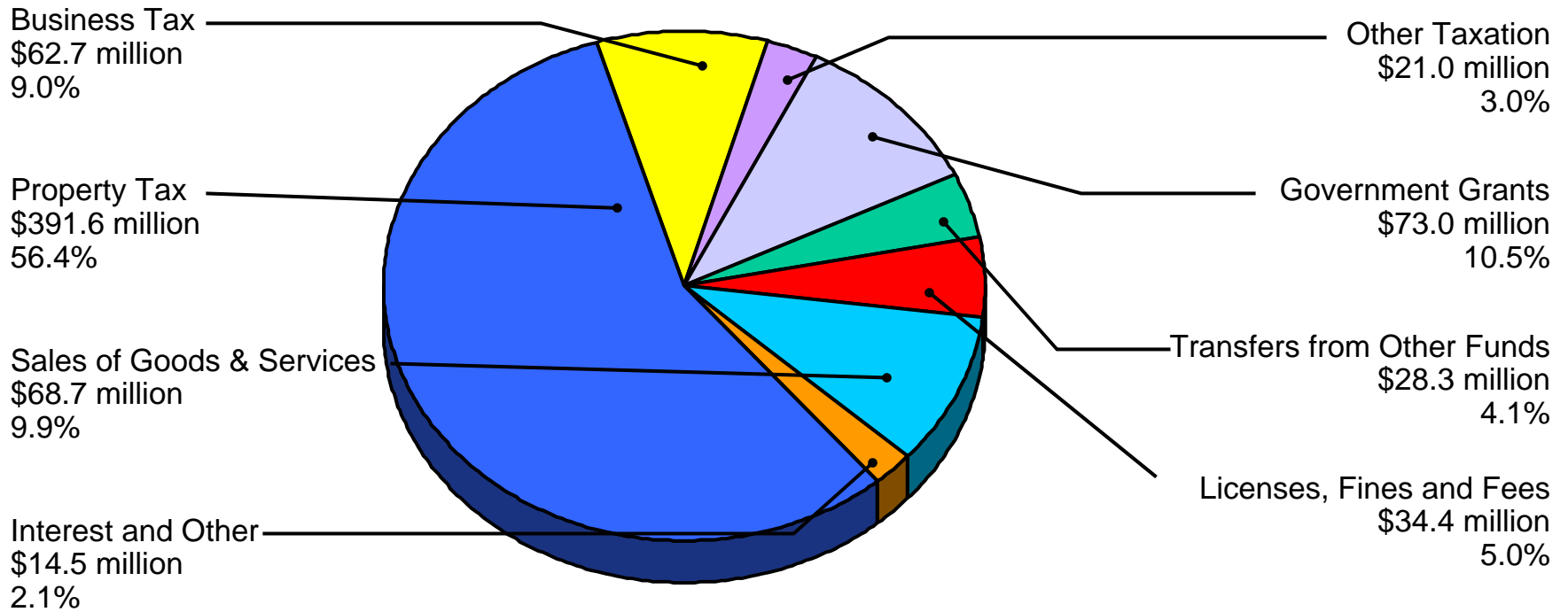


2004 Adopted Operating Budget - \$694.2 million

Tax-Supported



WHERE DOES THE MONEY COME FROM IN THE OPERATING BUDGET?



2004 Adopted Operating Budget - \$694.2 million

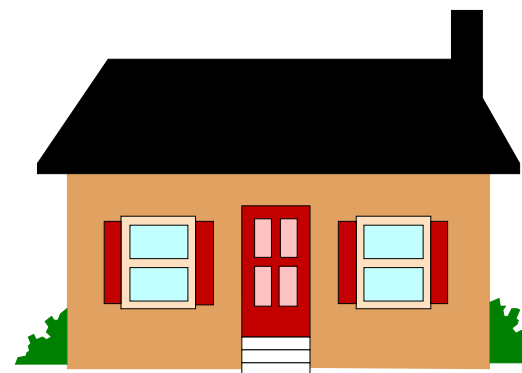
Tax-Supported



A SAMPLE HOME ASSESSED AT \$100,000 IN 1999

Homeowners are paying lower property taxes now than they did in 1999

Between 1999 and 2002, 86% of homeowners saw their municipal property taxes decrease. The overall average decrease for homeowners was just over 8%. This was due to tax reductions and growth in assessment in non-residential categories. The City has frozen taxes in both 2003 and 2004. The inflation-adjusted reduction is much larger.



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

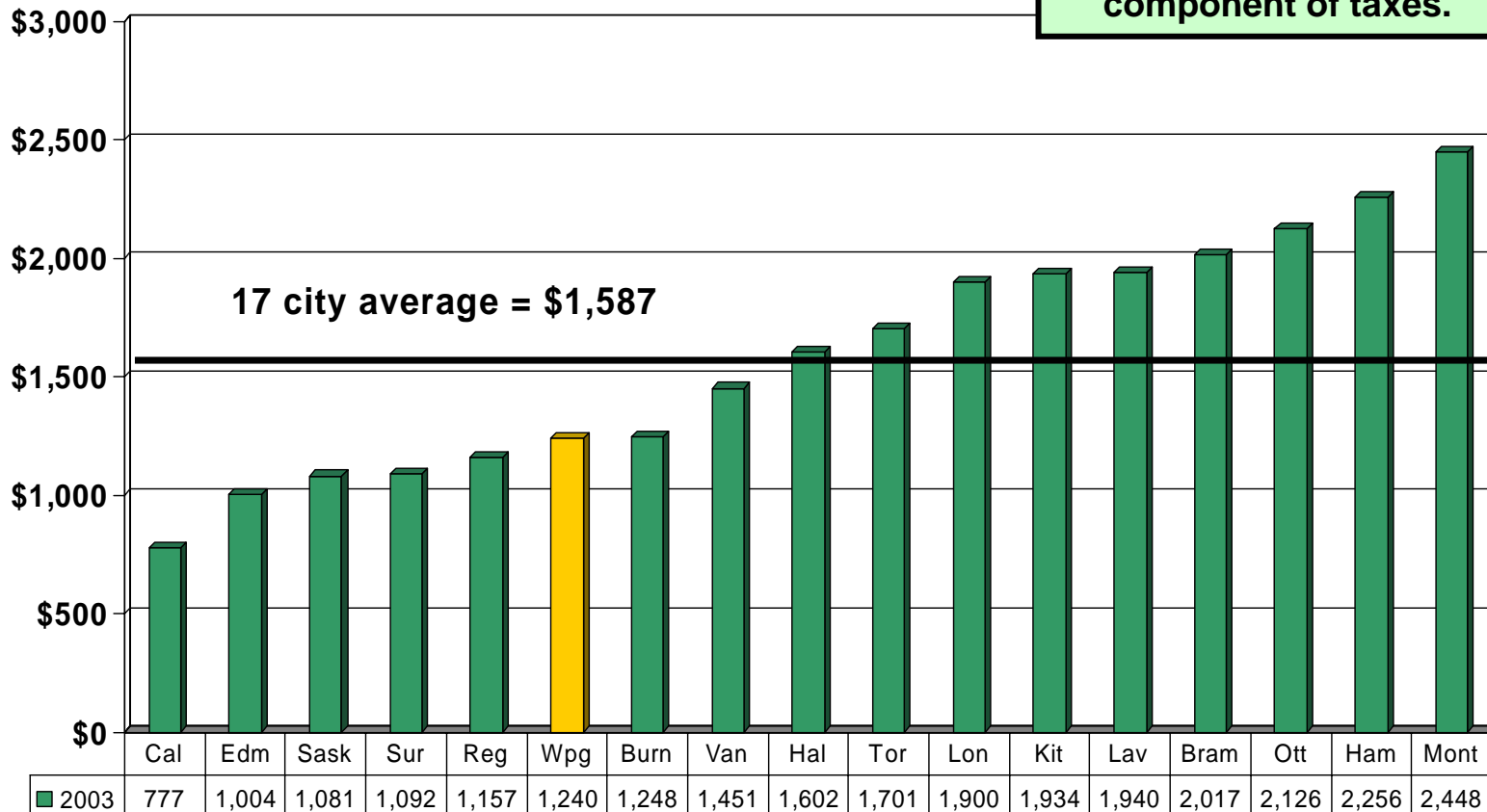
Due to the 2002 reassessment, the home's assessment for 2002 to 2004 is \$106,000.

2003 Edmonton Residential Property Tax Survey

1200 sq ft, 3 bedroom Bungalow

Municipal Taxes

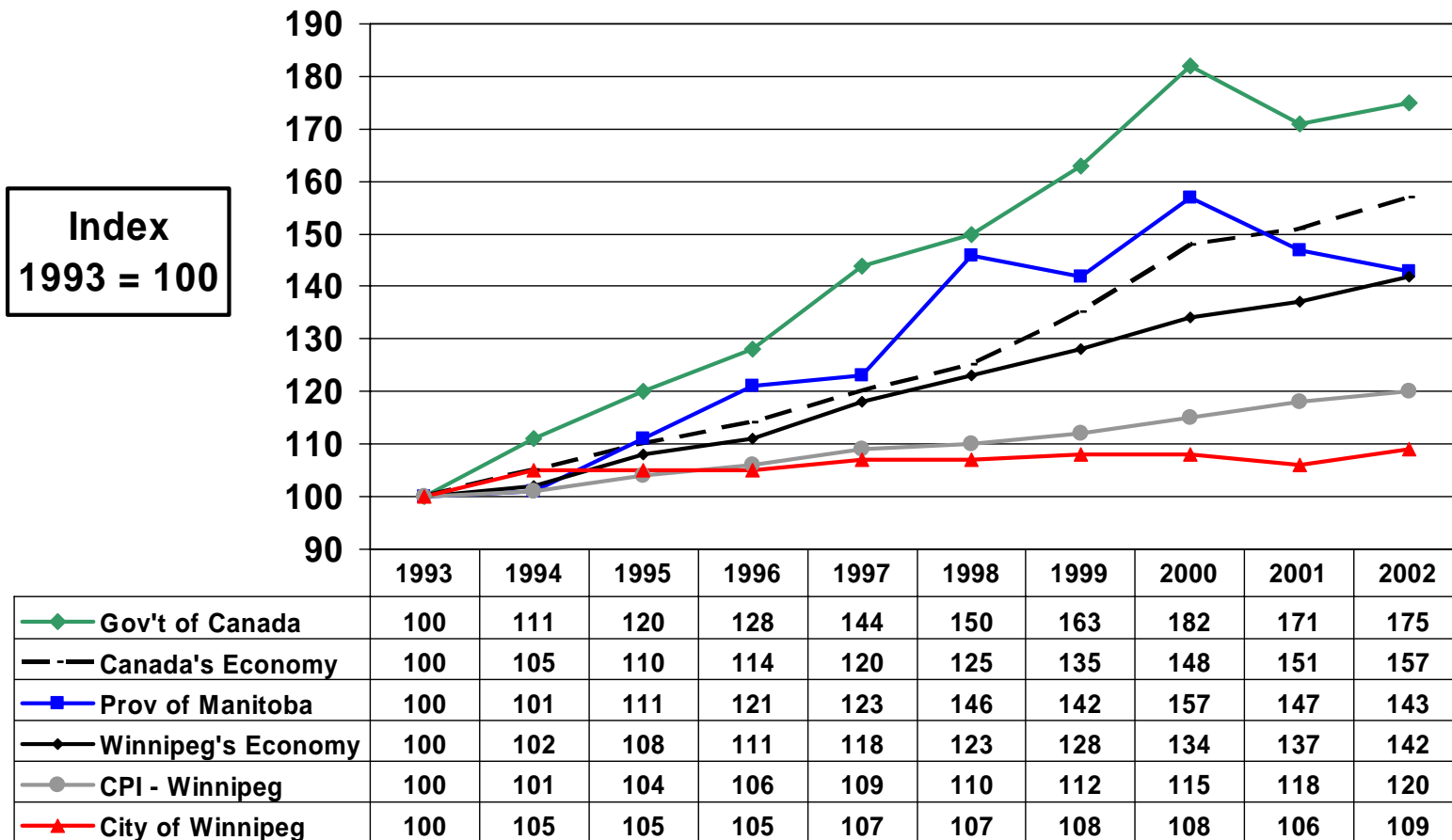
For Wpg, entire \$400 Tax Credit applied to School component of taxes.



Source: City of Edmonton Residential Property Taxes & Utility Charges Survey, December 2003.
 Out of 25 cities in survey, used 17 largest cities (Regina and larger)--approx 200,000 plus population.

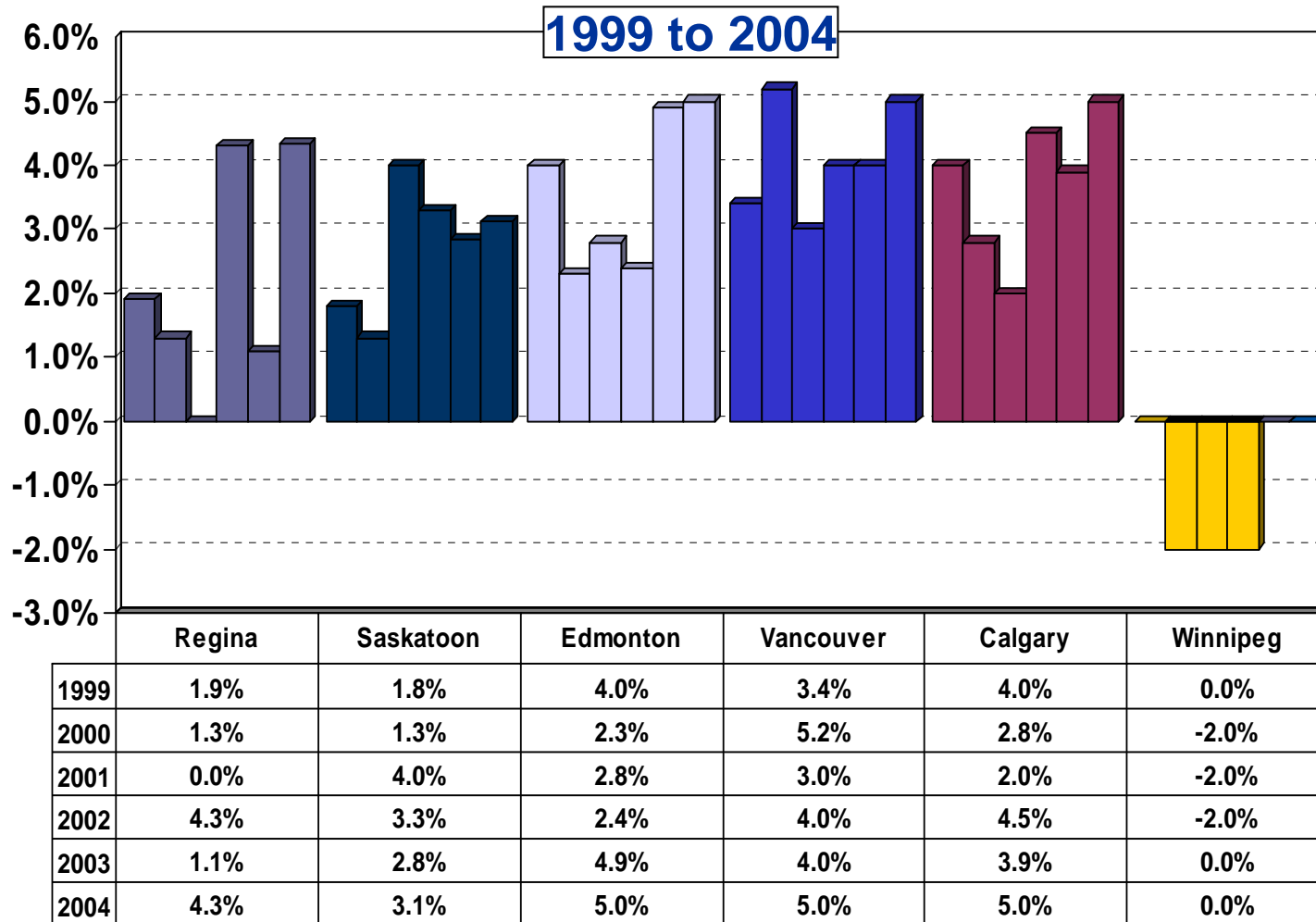


Changes in Primary Taxation Revenues 3 Levels of Government



Primary Taxation Revenues: Income & sales taxes for Fed & Prov Gov'ts, and property & business tax for City. Source: Derived from Conference Board of Canada report on Fiscal Prospects for the Federal and Provincial Governments – July 2002

Property Tax Changes in other Cities

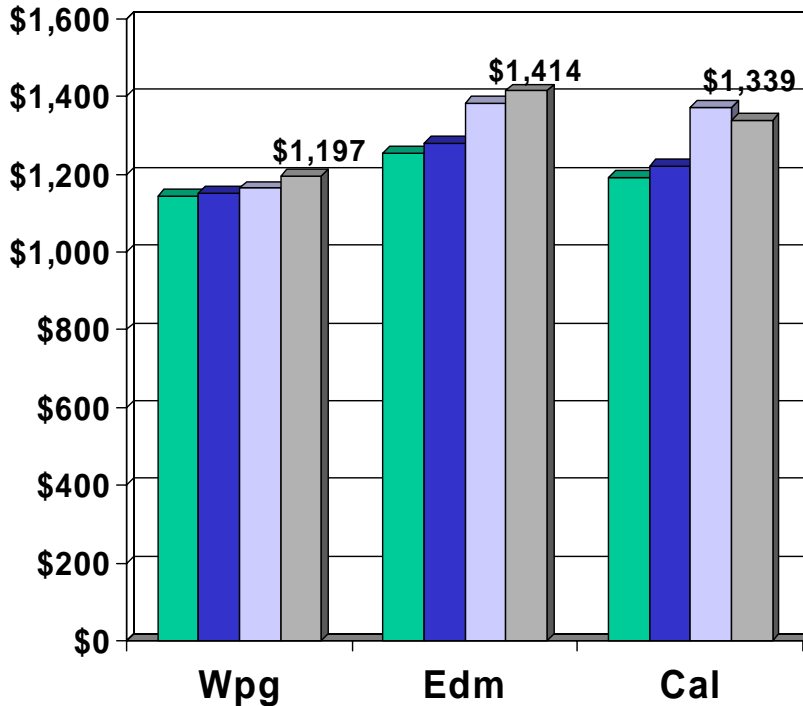


Source: Cities' budget documents, websites, and the Edmonton Property Tax Survey

Comparing City Budgets of Winnipeg, Edmonton, Calgary

Total Expenditures

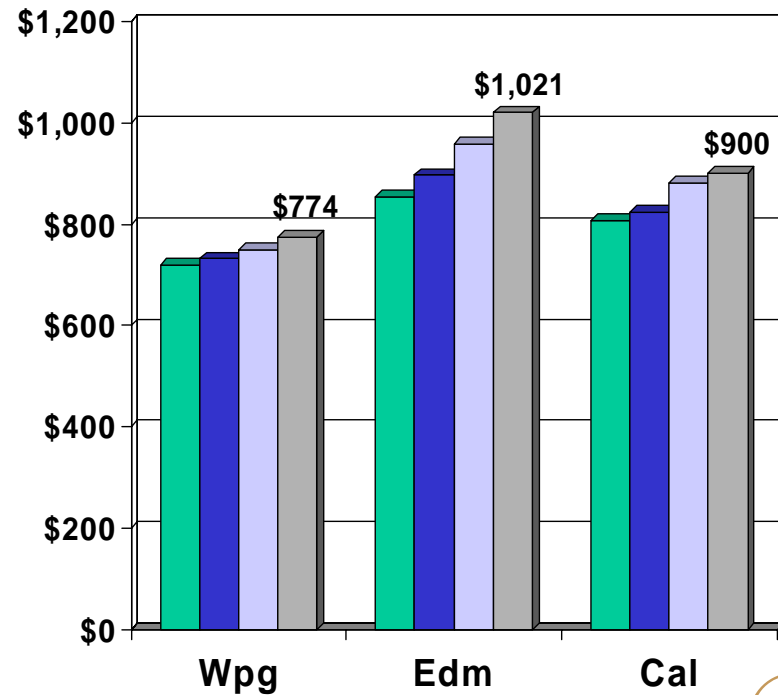
Dollars Per Capita
1999 to 2002



Source: City of Winnipeg, CAO Secretariat & Corporate Finance Dept, Jan 2002

Total Expenditures On Principal Public Services

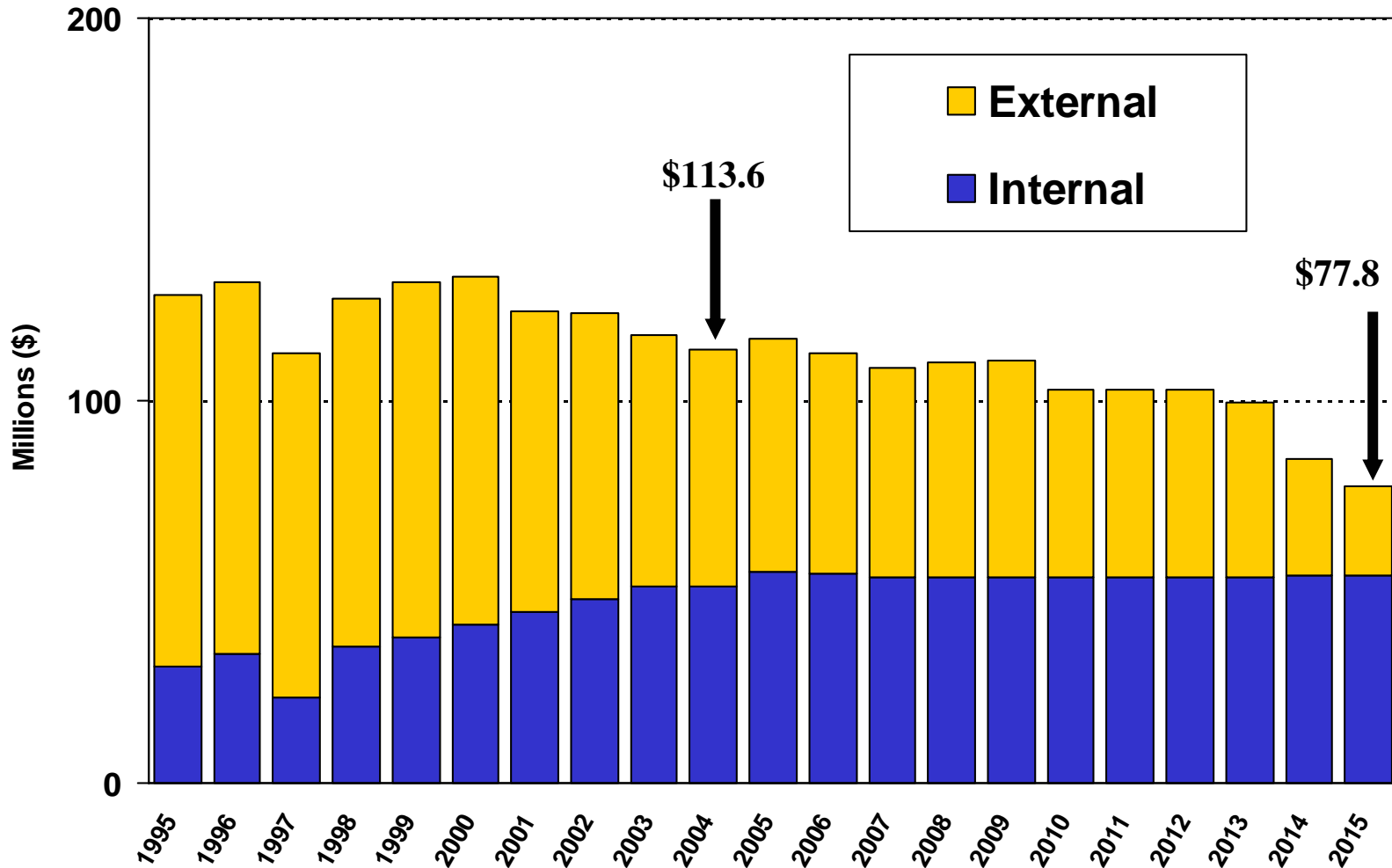
Dollars Per Capita
1999 to 2002



Source: City of Winnipeg, CAO Secretariat & Corporate Finance Dept, Jan 2002



TAX-SUPPORTED DEBT SERVICING COSTS



Excludes Civic Accommodations and Transit.



COUNCIL ADOPTION OF THE 2004 OPERATING BUDGET

On March 23, 2004 Council amended the recommendation of the Executive Policy Committee and adopted the following:

1. That the 2004 Operating Budget as tabled at the Executive Policy Committee meeting of February 24, 2004, and amended by Recommendation 2, be approved, and that the 2005 and 2006 projections be approved in principle and received as information on the preliminary financial plans for those years, and referred back to Executive Policy Committee for adjustments.
2. That the following changes, which have a neutral impact on the mill rate for the 2004 tax-supported operating budget, be made, namely:

Description	Revenue	Expenditure	Mill Rate Support / (Contribution)
Tax-Supported Budget Tabled February 24, 2004	\$ 692,933,952	\$ 692,933,952	\$ -
RECOMMENDED CHANGES:			
1. That the Community Services budget be increased as follows:			
a) library materials	-	100,000	100,000
b) insect control/larviciding	-	100,000	100,000
2. That the Public Works budget be increased as follows:			
a) two (2) cycles of boulevard maintenance	-	240,000	240,000
b) thin bituminous overlay (TBO)	-	300,000	300,000
3. That the following museum budgets be increased on an ongoing basis as follows:			
a) St. Boniface Museum	-	80,000	80,000
b) Transcona Historical Museum	-	20,000	20,000
4. That the Fire Paramedics budget be increased by \$459,795 to fund 12 positions to staff two peak-time 12-hour ambulance units to address advanced life support (ALS), emergency transport, and inter-facility transfer needs, effective May 1st, 2004. The City will fund this program in an amount of \$114,948 in 2004 (25% of the cost), with the remaining funding as follows:			
a) 50% from user fee revenue from increased call volumes	229,899	-	(229,899)
b) 25% from the Winnipeg Regional Health Authority - to be negotiated	114,948	-	(114,948)
5. That the Tax Penalty By-law No. 5796/91 and the Tax Sale Penalty By-law No. 8157/2002 be amended by setting a rate of interest of 1.25% per month effective July 1, 2004, to all outstanding current taxes, all outstanding taxes in arrears and on unpaid taxes on real property sold in tax sale.	954,948	-	(954,948)
Total Changes	1,299,795	1,299,795	-
Tax-Supported Operating Budget as recommended by Executive Policy Committee	\$ 694,233,747	\$ 694,233,747	\$ -

3. That the City's 2004 mill rate remain at the 2002 and 2003 level of 29.686.
4. That the City's business tax rate for 2004 remain frozen at the 1996 level of 9.75%.

5. That \$4,092,000 in previously approved 2004 capital projects be held back and not proceeded with to reduce debt and finance charges in the tax-supported operating budget, and that these projects be referred to the 2005 capital budget process. See Appendix 4 in the 2004 to 2006 Preliminary Operating Budget.
6. That the full benefit of the GST rebate flow to the tax-supported budget and that the Chief Administrative Officer be authorized to do all things necessary to implement this recommendation. The entire amount of the GST rebate is to be identified on an annual basis and reported to Council at budget time.
7. That a new investment management fee policy for reserve funds managed by the Treasury Branch of Corporate Finance be approved effective January 1, 2004, as follows:
 - a) An investment management fee of 20 basis points (1/5 of 1%) will be levied annually on the reserve funds managed on a cash or short-term basis (investments of two years and less) by the Treasury Branch of Corporate Finance; and
 - b) An investment management fee of 10 basis points (1/10 of 1%) will be levied annually on the reserve funds managed on a long-term basis (investments of more than two years) by the Treasury Branch of Corporate Finance.
8. 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.
9. That the Administration be directed to report on a full cost recovery solid waste user pay system to be considered by Council for possible future implementation on a revenue neutral basis, that is, with a corresponding reduction in property taxes.
10. That the City enter into discussions with the Province for a single, self-sustaining assessment authority for the Province of Manitoba for implementation in 2005.
11. That the City negotiate with the Province for equitable cost sharing of services, and/or the authority to introduce alternative sources of revenue in order to reduce reliance on property tax revenue.
12. That the Administration be directed to find alternate methods within the 2004 budget to fund Winnipeg's wading pools and outdoor pools to keep them open until the end of August.
13. That the City Solicitor/Manager of Legal Services be instructed to prepare the necessary by-laws to implement the above recommendations.

THE CITY OF WINNIPEG
2004 Adopted Operating Budget and 2005 and 2006 Projections
TAX-SUPPORTED SUMMARY

	2003 Adopted Budget	2004 Adopted Budget	Expl. No.	2005 Projection	2006 Projection
Revenue:					
Property tax/payments in lieu of taxes	\$ 382,735,934	\$ 387,657,243	1	\$ 375,293,327	\$ 378,837,120
Net taxes added	6,000,000	4,000,000	2	4,000,000	4,000,000
Business tax/license in lieu of business tax	62,417,267	62,662,410	3	62,363,334	67,196,701
Other taxation	19,691,108	20,975,410	4	21,738,460	21,637,488
Government grants	71,527,414	73,066,116	5	73,720,591	74,221,590
Regulation fees	34,131,198	34,431,142	6	36,393,300	36,402,990
Sale of goods and services	66,993,711	68,681,620	7	68,875,662	69,236,484
Interest	13,620,028	13,608,119	8	8,752,312	7,637,153
Transfers from other funds	27,065,438	28,277,517	9	24,607,098	24,872,925
Other	729,156	874,170	10	859,391	839,493
Total Revenue	\$ 684,911,254	\$ 694,233,747		\$ 676,603,475	\$ 684,881,944
Expenditures:					
Departmental:					
Public Works	\$ 148,116,685	\$ 147,639,418	11	\$ 150,954,789	\$ 151,544,542
Police Service	137,944,338	140,569,649	12	140,611,914	142,848,858
Fire Paramedic Service	99,203,774	103,164,755	13	104,645,878	106,724,993
Community Services	80,310,050	82,839,959	14	84,970,637	85,843,681
Planning, Property and Development	36,765,667	37,896,996	15	38,924,532	39,347,884
Land Drainage and Flood Control	17,926,439	17,626,456	16	17,151,671	16,961,009
Corporate Information Technology	14,389,198	16,259,739	17	14,557,283	13,509,570
Solid Waste Collection	16,529,610	15,841,316	18	-	-
Corporate Finance	16,592,689	14,979,765	19	15,629,643	15,911,047
Property Assessment	12,514,282	11,972,498	20	-	-
Corporate Services	8,474,104	9,213,240	21	9,436,913	9,665,335
CAO Secretariat	2,538,655	2,688,760	22	2,771,324	2,816,455
Other departmental costs	7,527,957	4,298,830	23	4,255,602	4,521,935
Sub-total Departmental	\$ 598,833,448	\$ 604,991,381		\$ 583,910,186	\$ 589,695,309
Corporate:					
Debt and finance charges	\$ 14,210,654	\$ 12,455,640	24	\$ 12,390,518	\$ 11,120,712
Taxes	7,189,912	7,555,848	25	7,684,722	7,816,493
Insurance and damage claims	2,877,284	3,553,397	26	3,681,482	3,681,482
Corporate employee benefits	3,416,790	5,006,790	27	4,420,500	3,479,000
Contribution to Transit	30,707,554	35,454,438	28	37,451,056	38,978,816
Grants/payments to other authorities	9,607,825	10,727,170	29	11,854,454	12,352,764
Other corporate costs	18,067,787	14,489,083	30	24,842,001	34,474,001
Sub-total Corporate	\$ 86,077,806	\$ 89,242,366		\$ 102,324,733	\$ 111,903,268
Total Expenditures	\$ 684,911,254	\$ 694,233,747		\$ 686,234,919	\$ 701,598,577
Shortfall	\$ -	\$ -		\$ (9,631,444)	\$ (16,716,633)

Note: 2005 and 2006 Projections are provided as information on preliminary financial plans. More work needs to be done to complete the budgets for those years.

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
TAX-SUPPORTED REVENUE

Expl. No.	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
1	Property tax / payments in lieu of taxes No increase in property taxes, adjusted for projected taxable assessment base for 2004.	\$ 4,921,309
2	Net taxes added Starting in 2002 any properties added to or deleted from the property assessment roll are directly recorded in the General Revenue (or Tax-Supported) Fund, rather than being transferred to the Fiscal Stabilization Reserve, as approved by Council on May 23, 2001. Budgeted at average annual levels for 2004.	\$ (2,000,000)
3	Business tax / license in lieu of business tax Business tax rate frozen at 1996 level of 9.75% of annual rental values, adjusted for projected assessment base for 2004.	\$ 245,143
4	Other taxation Increase in estimated Electricity and Gas Tax revenue. Increase in estimated Entertainment Tax revenue. Decrease in estimated Local Improvement Tax revenue.	 \$ 813,976 634,530 (164,204)
	Total	<u>\$ 1,284,302</u>

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
TAX-SUPPORTED REVENUE

Expl. No.	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
5	Government grants	
	Increase in Provincial Tax-sharing grant reflects projected growth in income tax and anticipated economic conditions.	\$ 1,720,145
	Increase in Provincial Support grant based on increased payroll costs.	408,250
	Increase in Provincial Libraries grant based on negotiation for improved cost sharing of services.	252,882
	Increase in Provincial Ambulance grant based on cost sharing agreement.	208,831
	City portion (25%) of funding for 12 positions to staff two peak-time 12-hour ambulance units to address advanced life support (ALS), emergency transport, and inter-facility transfer needs, effective May 1st, 2004.	114,948
	Decrease in Provincial Video Lottery Terminal (VLT) revenue reflects anticipated revenues.	(1,052,000)
	Increase in cost neutral offsets reflects transfer of Ombudsman services to the Province in 2003.	(150,000)
	Miscellaneous adjustments.	35,646
	Total	<u>\$ 1,538,702</u>
6	Regulation fees	
	Increase in revenue from permits and fees.	\$ 417,955
	Estimated revenue from Photo Safety Technology Program.	(261,896)
	Miscellaneous adjustments.	143,885
	Total	<u>\$ 299,944</u>

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
TAX-SUPPORTED REVENUE

Expl. No.	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
7	Sale of goods and services	
	Increase in revenue from Ambulance user fees as a result of increased call volume and rates.	\$ 1,268,922
	Increase in revenue from recreation programming partially related to Community Services' Safety Management Program.	552,137
	Increase in fees to banks/mortgage companies for electronic processing of files for property tax levies.	120,000
	Miscellaneous adjustments.	(253,150)
	Total	<u>\$ 1,687,909</u>
8	Interest	
	Increase in revenue by setting a rate of interest of 1.25% per month effective July 1, 2004, for all outstanding current taxes, all outstanding taxes in arrears and on unpaid taxes on real property sold in tax sale.	\$ 954,948
	Decrease in contribution from Sinking Fund due to lower interest rates.	(762,123)
	Miscellaneous adjustments.	(204,734)
	Total	<u>\$ (11,909)</u>

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
TAX-SUPPORTED REVENUE

Expl. No.	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
9	Transfers from other funds	
	One-time transfer from General Purpose Reserve in 2004.	\$ 2,000,000
	Decrease in transfer from the Sewage Disposal System.	(1,046,805)
	Miscellaneous adjustments.	258,884
	Total	<u>\$ 1,212,079</u>
10	Other	\$ 145,014
Total Revenue Change		<u><u>\$ 9,322,493</u></u>

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
TAX-SUPPORTED EXPENDITURES

<u>Expl.</u>	<u>No.</u>	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
11	Public Works		
		Increase in salaries and benefits.	\$ 1,875,904
		Establish budget for street lighting repair and maintenance.	500,000
		Transfer City Naturalist services from Community Services.	455,137
		Funding for compliance with Provincial safety legislation.	300,000
		Increased funding for maintenance of Provencher Pedestrian Bridge, Waterfront Drive and Charleswood Parkway.	233,000
		Decrease in debt and finance charges.	(3,177,725)
		Reduction in Thin Bituminous Overlay (TBO) program.	(200,000)
		Cost reduction measures. *	(195,800)
		Miscellaneous adjustments.	(267,783)
		Total	<u>\$ (477,267)</u>
12	Police Service		
		Increase in salaries and benefits.	\$ 2,333,670
		Inflationary increases for operational costs.	384,122
		Communication equipment (radios).	270,648
		Decrease in other equipment costs.	(617,971)
		Miscellaneous adjustments.	254,842
		Total	<u>\$ 2,625,311</u>

* See Appendix 3 of the 2004-2006 Preliminary Operating Budget for details.

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
TAX-SUPPORTED EXPENDITURES

<u>Expl.</u>	<u>No.</u>	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
13		Fire Paramedic Service	
		Increase in salaries and benefits.	\$ 2,731,925
		Increase of 12 positions to staff two peak-time 12-hour ambulance units to address advanced life support (ALS), emergency transport, and inter-facility transfer needs, effective May 1st, 2004.	459,795
		Increase in debt and finance charges including bad debt costs.	250,466
		Inflationary increases for operational costs.	207,125
		Miscellaneous adjustments.	311,670
		Total	<u>\$ 3,960,981</u>
14		Community Services	
		Increase in salaries and benefits.	\$ 1,762,265
		Increase in debt and finance charges.	452,113
		Increase in maintenance for recreational facilities.	346,568
		Safety Management Program.	336,117
		Increase in operating costs due to Millennium Library expansion.	150,000
		Increase in library materials budget.	100,000
		Increase in insect control/larviciding.	100,000
		Transfer City Naturalist services to Public Works.	(455,137)
		Cost reduction measures. *	(603,053)
		Miscellaneous adjustments.	341,036
		Total	<u>\$ 2,529,909</u>

* See Appendix 3 of the 2004-2006 Preliminary Operating Budget for details.

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
TAX-SUPPORTED EXPENDITURES

Expl. No.	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
15	Planning, Property and Development	
	Increase in salaries and benefits.	\$ 940,127
	Property acquisitions related to the sale of Winnipeg Hydro.	500,000
	Annualized costs related to Office of the Director and Integrated Planning Model.	425,396
	Establish and operate a Design Centre.	200,000
	Decrease transfer to Heritage Investment Reserve.	(500,000)
	Decrease in debt and finance charges.	(467,529)
	Miscellaneous adjustments.	33,335
	Total	<u>\$ 1,131,329</u>
16	Land Drainage and Flood Control	\$ (299,983)
	Mainly due to decrease in debt and finance charges.	
17	Corporate Information Technology	
	Fund Microsoft product costs.	\$ 1,136,600
	Funding for sustainment of new enterprise resource planning system.	585,609
	Increase in debt and finance charges.	238,896
	Increase in salaries and benefits.	110,007
	Reduction in operating expenditures, excluding debt and finance charges, by 1.4%.	(161,434)
	Miscellaneous adjustments.	(39,137)
	Total	<u>\$ 1,870,541</u>
18	Solid Waste Collection	
	Cost reduction measures. *	\$ (750,000)
	Miscellaneous adjustments.	61,706
	Total	<u>\$ (688,294)</u>

* See Appendix 3 of the 2004-2006 Preliminary Operating Budget for details.

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
TAX-SUPPORTED EXPENDITURES

<u>Expl.</u>	<u>No.</u>	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
19	Corporate Finance		
		Decrease in debt and finance charges.	\$ (2,126,586)
		Introduce Investment Management Fees charge to reserve funds.	(500,000)
		Reduction in operating expenditures, excluding debt and finance charges, by 1.4%.	(177,399)
		Increase in salaries and benefits.	663,806
		Funding for sustainment of new enterprise resource planning system.	550,614
		Miscellaneous adjustments.	(23,359)
		Total	<u>\$ (1,612,924)</u>
20	Property Assessment		
		Decrease in debt and finance charges.	\$ (460,173)
		Increase in salaries and benefits.	200,004
		Reduction in operating expenditures, excluding debt and finance charges, by 1.4%.	(161,178)
		Miscellaneous adjustments.	(120,437)
		Total	<u>\$ (541,784)</u>
21	Corporate Services		
		Funding for sustainment of new enterprise resource planning system.	\$ 392,853
		Increase in salaries and benefits.	376,259
		Reduction in operating expenditures, excluding debt and finance charges, by 1.4%.	(130,817)
		Miscellaneous adjustments.	100,841
		Total	<u>\$ 739,136</u>

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
TAX-SUPPORTED EXPENDITURES

Expl. No.	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
22	CAO Secretariat	
	Transfer of Film and Cultural Affairs Office to CAO Secretariat.	\$ 166,499
	Miscellaneous adjustments, including reduction in operating expenditures, excluding debt and finance charges, by 1.4%.	(16,394)
	Total	<u>\$ 150,105</u>
23	Other departmental costs	
	Additional Goods and Services Tax (GST) rebate announced by the Federal government.	\$ (7,000,000)
	Decrease in partial pension contribution holiday.	3,227,883
	Non-recurring heating cost reduction for departments in 2003.	195,933
	Increase in funding for the St. Boniface Museum (\$80,000) and the Transcona Historical Museum (\$20,000).	100,000
	Elimination of funding for the pension study.	(100,000)
	Miscellaneous adjustments.	347,057
	Total	<u>\$ (3,229,127)</u>
24	Debt and finance charges	\$ (1,755,014)
	Decrease in Corporate debt and finance charges.	
25	Taxes	\$ 365,936
	Increase in payroll and other taxes.	
26	Insurance and damage claims	\$ 676,113
	Increase in budget for insurance premiums and damage claims.	

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
TAX-SUPPORTED EXPENDITURES

<u>Expl.</u>	<u>No.</u>	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
	27	Corporate employee benefits	\$ 1,590,000
		Corporate employee benefits including CUPE training fund and sick leave severance.	
	28	Contribution to Transit	
		Increase in salaries and benefits.	\$ 3,300,000
		Increased costs for bus parts.	1,230,000
		Partial funding of increased transfer to the Bus Replacement Reserve.	216,884
		Total	<u>\$ 4,746,884</u>
	29	Grants / payments to other authorities	
		Increase in cultural grants.	\$ 500,000
		Increase in entertainment tax rebated.	334,530
		Net change in other grants and payments to other authorities (See attached list).	284,815
		Total	<u>\$ 1,119,345</u>
	30	Other corporate costs	
		Non-recurring contribution to Capital.	\$ (4,511,000)
		Increase in provision for cost increases.	685,000
		Increase in provision for doubtful accounts.	656,676
		Downtown Design Competition funding not required in 2004 as funds available in the Commitment Reserve.	(100,000)
		Miscellaneous adjustments.	(309,380)
			<u>\$ (3,578,704)</u>
		Total Expenditure Change	<u><u>\$ 9,322,493</u></u>

THE CITY OF WINNIPEG
2004 Adopted Budget
Listing of Corporate Grants and Payments to Other Authorities

Organization	2004 Adopted Budget
	<hr/>
Art City	\$ 100,000
Broadway Neighbourhood Centre	115,000
Canadian National Ringette Championships	15,000
Children's Museum	67,000
Convention Centre	2,200,000
Corporate Grants-Minimal Municipal Services	290,000
Cultural Grants	3,174,552
Destination Winnipeg	1,228,000
Festival Du Voyageur	40,000
Junos	275,000
Local Grants	111,090
National Volleyball Teams	75,000
Elmwood Cemetery	305,000
Pavilion	70,000
Promotional Pins, Etc.	25,000
Street Festivals	300,000
Winnipeg Enterprises - Refund of Entertainment Tax	1,718,600
Winnipeg Enterprises Amateur Use	75,000
Winnipeg Goldeyes - Refund of Entertainment Tax and Property Tax	428,730
Winnipeg Harvest	50,000
Winnipeg Library Board	64,198
	<hr/> \$ 10,727,170 <hr/>

THE CITY OF WINNIPEG
2004 Adopted Operating Budget and 2005 and 2006 Projections
UTILITIES SUMMARY

	2003 Adopted Budget	2004 Adopted Budget	Expl. No.	2005 Projection	2006 Projection
1. Civic Accommodations					
Revenue	29,947,656	29,925,481		30,983,908	31,972,681
Expenditure	29,947,656	29,925,481		30,983,908	31,972,681
Surplus/(Deficit)	-	-	1	-	-
2. Equipment & Material Services					
Revenue	32,317,622	-		-	-
Expenditure	32,056,258	-		-	-
Surplus/(Deficit)	261,364	-	2	-	-
3. Public Works - Facilities					
Revenue	25,261,441	25,764,509		26,073,073	26,226,240
Expenditure	25,261,441	25,764,509		26,073,073	26,226,240
Surplus/(Deficit)	-	-	3	-	-
4. Sewage Disposal					
Revenue	77,339,194	85,055,933		85,031,679	84,621,400
Expenditure	71,805,475	81,240,608		83,311,256	82,657,427
Surplus/(Deficit)	5,533,719	3,815,325	4	1,720,423	1,963,973
5. Solid Waste Disposal					
Revenue	14,689,683	14,714,079		14,856,196	15,413,829
Expenditure	16,415,396	16,600,151		16,598,617	14,918,467
Surplus/(Deficit)	(1,725,713)	(1,886,072)	5	(1,742,421)	495,362
6. Waterworks System					
Revenue	76,578,594	75,174,628		75,514,404	75,831,419
Expenditure	68,999,476	70,223,575		71,359,767	75,725,631
Surplus/(Deficit)	7,579,118	4,951,053	6	4,154,637	105,788
7. Transit System					
Revenue	102,027,972	107,483,821		112,159,869	114,944,293
Expenditure	102,027,972	107,483,821		112,159,869	114,944,293
Surplus/(Deficit)	-	-	7	-	-
Total					
Revenues	358,162,162	338,118,451		344,619,129	349,009,862
Expenditures	346,513,674	331,238,145		340,486,490	346,444,739
Surplus/(Deficit)	11,648,488	6,880,306		4,132,639	2,565,123

Note: Revenues for the transit system include the operating grant from the City of Winnipeg.

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
UTILITY OPERATIONS

<u>Expl.</u> <u>No.</u>	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
1	Civic Accommodations Miscellaneous adjustments in operating expenditures, fully recovered from client departments.	\$ -
2	Equipment & Material Services Effective in 2004, the Equipment Material Services Fund has been closed as all operations have been transferred to tax-supported Public Works, Water and Waste, Community Services and the Fleet Management Agency SOA.	\$ (261,364)
3	Public Works - Facilities Miscellaneous adjustments in operating expenditures, fully recovered from client departments.	\$ -
4	Sewage Disposal	
	<u>Revenue changes:</u>	
	Increase in Sewer services revenue.	\$ 7,941,000
	Miscellaneous adjustments.	(224,261)
		<u>7,716,739</u>
	<u>Expenditure changes:</u>	
	Increase in transfer to Environmental Projects Reserve.	6,802,000
	Increase in municipal taxes.	3,901,000
	Inflationary increases, including salaries and benefits.	550,309
	Increase in large volume sewer discount.	400,000
	Decrease in debt and finance charges.	(1,171,371)
	Decrease in transfer to tax support.	(1,046,805)
		<u>9,435,133</u>
	Decrease in Surplus	<u>\$ (1,718,394)</u>

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
UTILITY OPERATIONS

<u>Expl.</u> <u>No.</u>	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
5	Solid Waste Disposal	
	<u>Revenue changes:</u>	
	Miscellaneous adjustments.	\$ 24,396
	<u>Expenditure changes:</u>	
	Decrease in recycling contract costs.	(247,169)
	Decrease in debt and finance charges.	(155,155)
	Increase in transfer to tax-supported fund for garbage collection.	300,776
	Miscellaneous adjustments.	286,303
		<u>184,755</u>
	Increase in Deficit	<u>\$ (160,359)</u>
6	Waterworks System	
	<u>Revenue changes:</u>	
	Water sales revenue.	\$ (1,403,966)
	<u>Expenditure changes:</u>	
	Increase in transfer to Water Treatment Reserve.	1,547,000
	Inflationary increases, including salaries and benefits.	725,484
	Outsourced mainframe support for customer information and billing system.	600,000
	Watermain flushing program.	600,000
	Increase in transfer to tax support.	411,000
	Ultra-violet water treatment program.	375,000
	Decrease in transfer to Aqueduct Renewal Reserve.	(2,623,000)
	Decrease in debt and finance charges.	(411,385)
		<u>1,224,099</u>
	Decrease in Surplus	<u>\$ (2,628,065)</u>

THE CITY OF WINNIPEG
2004 Adopted Operating Budget
UTILITY OPERATIONS

<u>Expl.</u>	<u>No.</u>	<u>Explanation of 2004 Change from 2003</u>	<u>Change</u>
7		Transit System	
		<u>Revenue changes:</u>	
		Increase in contribution from tax support.	\$ 4,748,000
		5-cent fare increase.	1,150,000
		Miscellaneous adjustments.	(442,151)
			<u>5,455,849</u>
		<u>Expenditure changes:</u>	
		Increase in salaries and benefits.	3,300,000
		Increase in cost of bus parts.	1,230,000
		Increase in transfer to Bus Replacement Reserve.	760,000
		Miscellaneous adjustments.	165,849
			<u>5,455,849</u>
		Variance	<u>\$ -</u>
		Total Change	<u>\$ (4,768,182)</u>

