2005 Operating Budget

Adopted by Council
March 22, 2005
2005 Adopted Operating Budget

March 22, 2005
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
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

Tax-Supported
# BUDGET SUMMARY

<table>
<thead>
<tr>
<th>In Millions of $</th>
<th>2004 Adopted Budget</th>
<th>2005 Adopted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>$ 387.6</td>
<td>$ 391.5</td>
</tr>
<tr>
<td>Business Taxes</td>
<td>61.9</td>
<td>59.2</td>
</tr>
<tr>
<td>Net Taxes Added (property and business)</td>
<td>4.8</td>
<td>11.1</td>
</tr>
<tr>
<td>Other</td>
<td>239.9</td>
<td>245.2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$ 694.2</td>
<td>$ 707.0</td>
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<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departmental</td>
<td>$ 628.7</td>
<td>$ 640.8</td>
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<tr>
<td>Corporate</td>
<td>65.5</td>
<td>66.2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$ 694.2</td>
<td>$ 707.0</td>
</tr>
<tr>
<td><strong>SURPLUS / (DEFICIT)</strong></td>
<td>$</td>
<td>-</td>
</tr>
</tbody>
</table>
HOW IS THE MONEY SPENT IN THE OPERATING BUDGET?

Street System, Solid Waste collection, Land Drainage and Street Lighting
$192.8 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)
$85.8 million
12.1%

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

Grants, Appeals, and other Corporate Costs
$32.4 million
4.6%

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

2005 Adopted Operating Budget - $707 million

Tax-Supported
WHERE DOES THE MONEY COME FROM IN THE OPERATING BUDGET?

Business Tax / Net Taxes Added
$62.3 million
8.8%

Property Tax / Net Taxes Added
$399.5 million
56.5%

Sales of Goods & Services
$69.9 million
9.9%

Interest and Other
$12.2 million
1.7%

Other Taxation
$22.4 million
3.2%

Government Grants
$77.6 million
11.0%

Transfers from Other Funds
$31.4 million
4.4%

Licenses, Fines and Fees
$31.7 million
4.5%

2005 Adopted Operating Budget - $707 million

Tax-Supported
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.

<table>
<thead>
<tr>
<th>Year</th>
<th>Municipal property taxes (excludes school taxes)</th>
<th>Decrease from 1999: Amount</th>
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</thead>
<tbody>
<tr>
<td>1999</td>
<td>$1,506</td>
<td>$ (30)</td>
</tr>
<tr>
<td>2000</td>
<td>$1,476</td>
<td>$ (60)</td>
</tr>
<tr>
<td>2001</td>
<td>$1,446</td>
<td>$ (90)</td>
</tr>
<tr>
<td>2002</td>
<td>$1,416</td>
<td>$ (90)</td>
</tr>
<tr>
<td>2003</td>
<td>$1,416</td>
<td>$ (90)</td>
</tr>
<tr>
<td>2004</td>
<td>$1,416</td>
<td>$ (90)</td>
</tr>
<tr>
<td>2005</td>
<td>$1,416</td>
<td>$ (90)</td>
</tr>
</tbody>
</table>

Due to the 2002 reassessment, the home's assessment for 2002 to 2005 is $106,000.
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.
TAX-SUPPORTED DEBT SERVICING COSTS

Excludes Civic Accommodations and Transit.
COUNCIL ADOPTION OF THE 2005 OPERATING BUDGET

On March 22, 2005 Council adopted the following recommendations:

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

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property tax</td>
<td>$ 387,657,243</td>
<td>$ 391,507,129</td>
<td>$ 3,849,886</td>
<td>1</td>
<td>$ 396,164,835</td>
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<tr>
<td>Net property taxes added</td>
<td>4,000,000</td>
<td>8,000,000</td>
<td>4,000,000</td>
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<td>4,000,000</td>
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<tr>
<td>Business tax</td>
<td>62,662,410</td>
<td>62,273,198</td>
<td>(389,212)</td>
<td>3</td>
<td>66,107,640</td>
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<td>Other taxation</td>
<td>20,975,410</td>
<td>22,422,558</td>
<td>1,447,148</td>
<td>4</td>
<td>22,592,813</td>
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<td>Government grants</td>
<td>73,066,116</td>
<td>77,617,329</td>
<td>4,551,213</td>
<td>5</td>
<td>82,403,207</td>
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<td>Regulation fees</td>
<td>34,431,142</td>
<td>31,678,132</td>
<td>(2,753,010)</td>
<td>6</td>
<td>33,479,601</td>
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<tr>
<td>Sale of goods and services</td>
<td>68,681,620</td>
<td>69,900,469</td>
<td>1,218,849</td>
<td>7</td>
<td>70,835,494</td>
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<td>Interest</td>
<td>13,608,119</td>
<td>11,344,118</td>
<td>(2,264,001)</td>
<td>8</td>
<td>8,629,463</td>
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<td>Transfers from other funds</td>
<td>28,277,517</td>
<td>31,450,155</td>
<td>3,172,638</td>
<td>9</td>
<td>31,678,567</td>
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<td>Other</td>
<td>874,170</td>
<td>806,133</td>
<td>(68,037)</td>
<td>10</td>
<td>802,235</td>
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<td><strong>Total Revenue</strong></td>
<td>$ 694,233,747</td>
<td>$ 706,999,221</td>
<td>$ 12,765,474</td>
<td></td>
<td>$ 716,693,855</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
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</thead>
<tbody>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Departmental:</strong></td>
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<td></td>
</tr>
<tr>
<td>Public Works</td>
<td>$ 147,639,418</td>
<td>$ 149,798,243</td>
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<tr>
<td>Police Service</td>
<td>140,569,649</td>
<td>146,695,427</td>
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<tr>
<td>Fire Paramedic Service</td>
<td>103,164,755</td>
<td>103,784,751</td>
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<td>Community Services</td>
<td>83,029,959</td>
<td>85,813,552</td>
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<tr>
<td>Planning, Property and Development</td>
<td>39,293,844</td>
<td>38,729,974</td>
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<td>Water and Waste</td>
<td>33,467,772</td>
<td>33,433,298</td>
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<tr>
<td>Street Lighting</td>
<td>9,609,939</td>
<td>9,521,957</td>
</tr>
<tr>
<td>Corporate Information Technology</td>
<td>16,259,739</td>
<td>16,518,984</td>
</tr>
<tr>
<td>Corporate Finance</td>
<td>14,979,765</td>
<td>12,883,495</td>
</tr>
<tr>
<td>Property Assessment</td>
<td>11,972,498</td>
<td>12,417,554</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>9,213,240</td>
<td>10,420,857</td>
</tr>
<tr>
<td>CAO Secretariat</td>
<td>2,821,842</td>
<td>2,941,970</td>
</tr>
<tr>
<td>City Clerks</td>
<td>10,565,128</td>
<td>11,355,944</td>
</tr>
<tr>
<td>Other departments</td>
<td>6,143,137</td>
<td>6,454,029</td>
</tr>
<tr>
<td><strong>Sub-total Departmental</strong></td>
<td>$ 628,730,685</td>
<td>$ 640,770,035</td>
</tr>
<tr>
<td><strong>Corporate:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt and finance charges</td>
<td>$ 12,455,640</td>
<td>$ 10,472,861</td>
</tr>
<tr>
<td>Taxes</td>
<td>6,159,000</td>
<td>6,282,000</td>
</tr>
<tr>
<td>Insurance and damage claims</td>
<td>3,553,397</td>
<td>3,671,947</td>
</tr>
<tr>
<td>Corporate employee benefits</td>
<td>5,006,790</td>
<td>3,227,879</td>
</tr>
<tr>
<td>Contribution to Transit</td>
<td>35,454,438</td>
<td>33,830,967</td>
</tr>
<tr>
<td>Grants/payments to other authorities</td>
<td>6,716,528</td>
<td>7,077,212</td>
</tr>
<tr>
<td>Other</td>
<td>(3,842,731)</td>
<td>1,666,320</td>
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<tr>
<td><strong>Sub-total Corporate</strong></td>
<td>$ 65,503,062</td>
<td>$ 66,229,186</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$ 694,233,747</td>
<td>$ 706,999,221</td>
</tr>
<tr>
<td><strong>Shortfall</strong></td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

**Note:** 2004 Budget restated to allocate certain corporate accounts to the responsible department (e.g. grants).
<table>
<thead>
<tr>
<th>Expl. No.</th>
<th>Variance Explanations</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Property tax</td>
<td>$ 3,849,886</td>
</tr>
<tr>
<td></td>
<td>No increase in property tax rate. Revenue estimate adjusted for projected taxable assessment base for 2005.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Net property taxes added</td>
<td>$ 4,000,000</td>
</tr>
<tr>
<td></td>
<td>Net increase in property taxes for any properties added to or deleted from the property assessment roll after property tax bills are issued.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Business tax</td>
<td>$ (389,212)</td>
</tr>
<tr>
<td></td>
<td>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.</td>
<td></td>
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<tr>
<td>4</td>
<td>Other taxation</td>
<td>$ 1,023,276</td>
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<tr>
<td></td>
<td>Increase in estimated Electricity and Gas Tax revenue.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase in Entertainment Tax revenue completely offset by increased refunds.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Decrease in local improvement taxes.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$ 1,447,148</td>
</tr>
<tr>
<td>5</td>
<td>Government grants</td>
<td>$ 6,000,000</td>
</tr>
<tr>
<td></td>
<td>Request for additional provincial cost-sharing / grants.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Decrease in Provincial Tax-sharing grant reflects 2004 actual grant.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other Provincial and Federal grant revenue.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$ 4,551,213</td>
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## TAX-SUPPORTED REVENUE - 2005 Compared to 2004

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

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

#### 2005 Operating Budget

**TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004**

<table>
<thead>
<tr>
<th>Expl. No.</th>
<th>Variance Explanations</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Increase in funding for Council's Strategic Infrastructure</td>
<td>$1,922,289</td>
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<td></td>
<td>Reinvestment Policy.</td>
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<tr>
<td></td>
<td>Increase in salaries and benefits.</td>
<td>$1,844,868</td>
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<td>Increase in fleet charges.</td>
<td>$342,447</td>
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<tr>
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<td>Increase in athletic field maintenance as approved by Council on November 24, 2004.</td>
<td>$270,000</td>
</tr>
<tr>
<td></td>
<td>Contribution toward the City's costs to relocate the Manitoba Hydro transmission lines in the vicinity of Whittier Park.</td>
<td>$200,000</td>
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<tr>
<td></td>
<td>Decrease in debt and finance charges.</td>
<td>$(1,774,652)</td>
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<td>GST savings due to full rebate.</td>
<td>$(715,698)</td>
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<tr>
<td></td>
<td>Miscellaneous.</td>
<td>$69,571</td>
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<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$2,158,825</strong></td>
</tr>
<tr>
<td>12</td>
<td>Increase in salaries and benefits.</td>
<td>$7,415,161</td>
</tr>
<tr>
<td></td>
<td>Decrease due to completion of radio purchases in 2004.</td>
<td>$(525,808)</td>
</tr>
<tr>
<td></td>
<td>GST savings due to full rebate.</td>
<td>$(427,667)</td>
</tr>
<tr>
<td></td>
<td>Savings in maintenance costs due to delay in new computerized dispatch system implementation.</td>
<td>$(338,578)</td>
</tr>
<tr>
<td></td>
<td>Miscellaneous.</td>
<td>$2,670</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$6,125,778</strong></td>
</tr>
<tr>
<td>13</td>
<td>Increase in salaries and benefits.</td>
<td>$1,121,206</td>
</tr>
<tr>
<td></td>
<td>Inflationary increase for operational costs.</td>
<td>$868,703</td>
</tr>
<tr>
<td></td>
<td>Decrease in fleet charges due to discontinuance of advance payments.</td>
<td>$(1,234,772)</td>
</tr>
<tr>
<td></td>
<td>Decrease in debt and finance charges.</td>
<td>$(135,141)</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$619,996</strong></td>
</tr>
<tr>
<td>Expl. No.</td>
<td>Variance Explanations</td>
<td>Change</td>
</tr>
<tr>
<td>-----------</td>
<td>-----------------------</td>
<td>--------</td>
</tr>
<tr>
<td>14 Community Services</td>
<td>Increase in salaries and benefits.</td>
<td>$1,552,005</td>
</tr>
<tr>
<td></td>
<td>Increase in transfer to Public Works for facilities maintenance.</td>
<td>476,603</td>
</tr>
<tr>
<td></td>
<td>Increase in debt and finance charges.</td>
<td>240,307</td>
</tr>
<tr>
<td></td>
<td>Increase in transfer to Library Reserve.</td>
<td>186,435</td>
</tr>
<tr>
<td></td>
<td>Other operational cost increases, including an increase of $100,000 for library materials budget.</td>
<td>328,243</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$2,783,593</strong></td>
</tr>
<tr>
<td>15 Planning, Property and Development</td>
<td>Fund Heritage Investment Reserve from year end surpluses.</td>
<td>$(1,200,000)</td>
</tr>
<tr>
<td></td>
<td>GST savings due to full rebate.</td>
<td>$(599,158)</td>
</tr>
<tr>
<td></td>
<td>Non-recurring land transfer costs / real property purchases.</td>
<td>$(520,000)</td>
</tr>
<tr>
<td></td>
<td>Increase in salaries and benefits.</td>
<td>964,265</td>
</tr>
<tr>
<td></td>
<td>Increase in debt and finance charges.</td>
<td>347,915</td>
</tr>
<tr>
<td></td>
<td>Additional funding to review Zoning By-law.</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>Other operational cost increases.</td>
<td>243,108</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$(563,870)</strong></td>
</tr>
<tr>
<td>16 Water and Waste</td>
<td>Decrease in debt and finance charges for land drainage.</td>
<td>$(512,163)</td>
</tr>
<tr>
<td></td>
<td>Decrease in fleet charges for garbage collection due to discontinuance of advance payments.</td>
<td>$(477,304)</td>
</tr>
<tr>
<td></td>
<td>Increase in salaries and benefits.</td>
<td>314,928</td>
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<td></td>
<td>Other operational cost increases.</td>
<td>640,065</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$(34,474)</strong></td>
</tr>
<tr>
<td>17 Street Lighting</td>
<td>Miscellaneous adjustments.</td>
<td>$(87,982)</td>
</tr>
</tbody>
</table>
### TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004

<table>
<thead>
<tr>
<th>Expl. No.</th>
<th>Variance Explanations</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td><strong>Corporate Information Technology</strong>&lt;br&gt;Transfer in responsibility for sustainment of new enterprise resource planning system, net of savings from decommissioning of the mainframe.&lt;br&gt;Increase in salaries and benefits.&lt;br&gt;Decrease in debt and finance charges.&lt;br&gt;Net operational cost decreases, including increased recoveries for service.</td>
<td>$ 1,109,513</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increase in salaries and benefits.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Decrease in debt and finance charges.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Net operational cost decreases, including increased recoveries for service.</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>$ 259,245</td>
</tr>
</tbody>
</table>

| 19        | **Corporate Finance**<br>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.<br>Transfer funding for Emergency Preparedness function to CAO Secretariat as approved by Council.<br>Increase in debt and finance charges. | $ (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**<br>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 |
## TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004

<table>
<thead>
<tr>
<th>Expl. No.</th>
<th>Variance Explanations</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>21 Corporate Services</td>
<td>Transfer in negotiated CUPE training funds from corporate accounts. $1,000,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Transfer in responsibility for sustainment of new enterprise resource planning system for human resource components. 202,259</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other operational cost increases. 5,358</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong> $1,207,617</td>
<td></td>
</tr>
<tr>
<td>22 CAO Secretariat</td>
<td>Transfer in Emergency Preparedness function as approved by Council. $253,739</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Transfer funding for Coordinator of Environmental Initiatives from EPC Secretariat as approved by Council. 78,340</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reduce staffing and operational costs. (211,951)</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong> $120,128</td>
<td></td>
</tr>
<tr>
<td>23 City Clerks</td>
<td>Increase in funding for the Winnipeg Arts Advisory Council. $500,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase in Board of Revision costs related to the 2006 reassessment process. 394,025</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase for Local Per Capita Grants. 30,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Grant to the Manitoba Theatre for Young People as approved by Council. 25,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reduce other festivals funding. (150,000)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other operational cost decreases. (8,209)</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong> $790,816</td>
<td></td>
</tr>
</tbody>
</table>
### TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004

<table>
<thead>
<tr>
<th>Expl. No.</th>
<th>Variance Explanations</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>24</td>
<td>Other departments</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Funding for administration of the Winnipeg Partnership Agreement.</td>
<td>$ 250,000</td>
</tr>
<tr>
<td></td>
<td>Increase in funding for Audit Department.</td>
<td>112,576</td>
</tr>
<tr>
<td></td>
<td>Increase in funding for Seven Oaks Museum as recommended by Lord Selkirk-West Kildonan Community Committee.</td>
<td>2,000</td>
</tr>
<tr>
<td></td>
<td>Transfer funding for Coordinator of Environmental Initiatives from EPC Secretariat to CAO Secretariat as approved by Council.</td>
<td>(78,340)</td>
</tr>
<tr>
<td></td>
<td>Other increases.</td>
<td>24,656</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$ 310,892</strong></td>
</tr>
<tr>
<td>25</td>
<td>Debt and finance charges</td>
<td>$ (1,982,779)</td>
</tr>
<tr>
<td></td>
<td>Decrease in Corporate debt and finance charges.</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Taxes</td>
<td>$ 123,000</td>
</tr>
<tr>
<td></td>
<td>Increase in payroll and other taxes.</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td><strong>Insurance and damage claims</strong></td>
<td>$ 118,550</td>
</tr>
<tr>
<td></td>
<td>Increase in budget for insurance premiums and damage claims.</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td><strong>Corporate employee benefits</strong></td>
<td>$ (1,778,911)</td>
</tr>
<tr>
<td></td>
<td>Transfer negotiated CUPE training funds to Corporate Services budget.</td>
<td>$ (1,000,000)</td>
</tr>
<tr>
<td></td>
<td>Reduced benefit costs, primarily sick leave and other severance pay requirements.</td>
<td>(778,911)</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$ (1,778,911)</strong></td>
</tr>
</tbody>
</table>
### THE CITY OF WINNIPEG
#### 2005 Operating Budget
### TAX-SUPPORTED EXPENDITURES - 2005 Compared to 2004

<table>
<thead>
<tr>
<th>Expl. No.</th>
<th>Variance Explanations</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>29</td>
<td>Contribution to Transit</td>
<td>$ (1,623,471)</td>
</tr>
<tr>
<td></td>
<td>Decrease in contribution to Transit (refer to variance explanation #6 under &quot;Utility Operations&quot; section of this document for additional information on Transit).</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Grants/payments to other authorities *</td>
<td>$ 841,400</td>
</tr>
<tr>
<td></td>
<td>Increase in entertainment and business taxes rebated.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Net change in other grants and payments to other authorities, including non-recurring, one-time funding in 2004 of $275,000 for the Junos.</td>
<td>(480,716)</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>$ 360,684</td>
</tr>
<tr>
<td>31</td>
<td>Other</td>
<td>$ 5,509,051</td>
</tr>
<tr>
<td></td>
<td>Allocate GST rebate to departments as savings will occur in departmental budgets.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reduce other corporate expenditures, primarily provisions for doubtful accounts and cost increases.</td>
<td>(1,490,949)</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>$ 5,509,051</td>
</tr>
<tr>
<td></td>
<td><strong>Total Expenditure Variance</strong></td>
<td>$ 12,765,474</td>
</tr>
</tbody>
</table>

* Note: See page 11 for list of grants and payments to other authorities included in the 2005 Operating Budget.
### Corporate Grants and Payments to Other Authorities

<table>
<thead>
<tr>
<th>Authority</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children's Museum</td>
<td>$67,000</td>
</tr>
<tr>
<td>Convention Centre</td>
<td>$2,200,000</td>
</tr>
<tr>
<td>Corporate Grants - Minimal Municipal Services</td>
<td>$300,000</td>
</tr>
<tr>
<td>Destination Winnipeg</td>
<td>$1,228,000</td>
</tr>
<tr>
<td>Elmwood Cemetery</td>
<td>$103,000</td>
</tr>
<tr>
<td>True North - Business Tax Grant</td>
<td>$400,000</td>
</tr>
<tr>
<td>True North - Refund of Entertainment Tax</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Winnipeg Enterprises - Refund of Entertainment Tax</td>
<td>$660,000</td>
</tr>
<tr>
<td>Winnipeg Enterprises Amateur Use</td>
<td>$75,000</td>
</tr>
<tr>
<td>Winnipeg Goldeyes - Property Tax Grant</td>
<td>$82,800</td>
</tr>
<tr>
<td>Winnipeg Goldeyes - Refund of Entertainment Tax</td>
<td>$345,930</td>
</tr>
<tr>
<td>Winnipeg Harvest</td>
<td>$50,000</td>
</tr>
<tr>
<td>Winnipeg Library Board</td>
<td>$65,482</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$7,077,212</strong></td>
</tr>
</tbody>
</table>

### Other Grants and Payments to Other Authorities

<table>
<thead>
<tr>
<th>Authority</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age and Opportunity Centre</td>
<td>$89,000</td>
</tr>
<tr>
<td>Art City</td>
<td>$100,000</td>
</tr>
<tr>
<td>Block Parents</td>
<td>$17,165</td>
</tr>
<tr>
<td>Broadway Neighbourhood Centre</td>
<td>$115,000</td>
</tr>
<tr>
<td>CentreVenture</td>
<td>$250,000</td>
</tr>
<tr>
<td>Citizens for Crime Awareness</td>
<td>$31,795</td>
</tr>
<tr>
<td>Citizenship Council of Manitoba</td>
<td>$27,000</td>
</tr>
<tr>
<td>Cultural Grants</td>
<td>$3,674,552</td>
</tr>
<tr>
<td>Festival Du Voyageur</td>
<td>$40,000</td>
</tr>
<tr>
<td>Fort Whyte Centre</td>
<td>$40,000</td>
</tr>
<tr>
<td>Heritage Winnipeg Corporation</td>
<td>$9,000</td>
</tr>
<tr>
<td>Housing and Urban Renewal</td>
<td>$109,900</td>
</tr>
<tr>
<td>Les Jeux de la Francophonie Canadienne</td>
<td>$200,000</td>
</tr>
<tr>
<td>Local Grants</td>
<td>$141,090</td>
</tr>
<tr>
<td>Main Street Project</td>
<td>$96,000</td>
</tr>
<tr>
<td>Manitoba Refugee Sponsorship Assurance Program</td>
<td>$30,000</td>
</tr>
<tr>
<td>Manitoba Theatre for Young People</td>
<td>$25,000</td>
</tr>
<tr>
<td>Manitoba Wildlife Federation</td>
<td>$5,000</td>
</tr>
<tr>
<td>Mediation Services</td>
<td>$5,000</td>
</tr>
<tr>
<td>National Volleyball Teams</td>
<td>$75,000</td>
</tr>
<tr>
<td>Pavilion</td>
<td>$70,000</td>
</tr>
<tr>
<td>Pritchard Place Drop In Centre</td>
<td>$40,000</td>
</tr>
<tr>
<td>Promotional Pins, etc.</td>
<td>$25,000</td>
</tr>
<tr>
<td>Rosssbrook House</td>
<td>$224,339</td>
</tr>
<tr>
<td>Senior Citizen Directorate</td>
<td>$17,850</td>
</tr>
<tr>
<td>Street Festivals</td>
<td>$150,000</td>
</tr>
<tr>
<td>Take Pride Winnipeg</td>
<td>$180,000</td>
</tr>
<tr>
<td>Winnipeg Housing Rehabilitation Corporation</td>
<td>$200,000</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$5,987,691</strong></td>
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</tbody>
</table>

### Total Grants and Payments to Other Authorities

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$13,064,903</td>
</tr>
</tbody>
</table>
### Civic Accommodations

<table>
<thead>
<tr>
<th></th>
<th>2004 Adopted Budget</th>
<th>2005 Adopted Budget</th>
<th>Variance</th>
<th>Expl. No.</th>
<th>2006 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>29,925,481</td>
<td>30,983,908</td>
<td>1,058,427</td>
<td></td>
<td>31,687,305</td>
</tr>
<tr>
<td>Expenditure</td>
<td>29,925,481</td>
<td>30,983,908</td>
<td>1,058,427</td>
<td></td>
<td>31,687,305</td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>

### Facilities Maintenance

<table>
<thead>
<tr>
<th></th>
<th>2004 Adopted Budget</th>
<th>2005 Adopted Budget</th>
<th>Variance</th>
<th>Expl. No.</th>
<th>2006 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>25,764,509</td>
<td>26,436,552</td>
<td>672,043</td>
<td></td>
<td>26,979,573</td>
</tr>
<tr>
<td>Expenditure</td>
<td>25,764,509</td>
<td>26,436,552</td>
<td>672,043</td>
<td></td>
<td>26,979,573</td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>-</td>
</tr>
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### Sewage Disposal

<table>
<thead>
<tr>
<th></th>
<th>2004 Adopted Budget</th>
<th>2005 Adopted Budget</th>
<th>Variance</th>
<th>Expl. No.</th>
<th>2006 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>85,055,933</td>
<td>95,084,007</td>
<td>10,028,074</td>
<td></td>
<td>111,497,622</td>
</tr>
<tr>
<td>Expenditure</td>
<td>81,240,608</td>
<td>84,468,922</td>
<td>3,228,314</td>
<td></td>
<td>92,738,848</td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>3,815,325</td>
<td>10,615,085</td>
<td>6,799,760</td>
<td>3</td>
<td>18,758,774</td>
</tr>
</tbody>
</table>

### Solid Waste Disposal

<table>
<thead>
<tr>
<th></th>
<th>2004 Adopted Budget</th>
<th>2005 Adopted Budget</th>
<th>Variance</th>
<th>Expl. No.</th>
<th>2006 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>14,714,079</td>
<td>15,898,483</td>
<td>1,184,404</td>
<td></td>
<td>16,570,500</td>
</tr>
<tr>
<td>Expenditure</td>
<td>16,600,151</td>
<td>17,510,231</td>
<td>910,080</td>
<td></td>
<td>15,837,993</td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>(1,886,072)</td>
<td>(1,611,748)</td>
<td>274,324</td>
<td>4</td>
<td>732,507</td>
</tr>
</tbody>
</table>

### Waterworks

<table>
<thead>
<tr>
<th></th>
<th>2004 Adopted Budget</th>
<th>2005 Adopted Budget</th>
<th>Variance</th>
<th>Expl. No.</th>
<th>2006 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>75,174,628</td>
<td>75,675,765</td>
<td>501,137</td>
<td></td>
<td>76,000,170</td>
</tr>
<tr>
<td>Expenditure</td>
<td>70,223,575</td>
<td>70,596,280</td>
<td>372,705</td>
<td></td>
<td>72,022,273</td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>4,951,053</td>
<td>5,079,485</td>
<td>128,432</td>
<td>5</td>
<td>3,977,897</td>
</tr>
</tbody>
</table>

### Transit

<table>
<thead>
<tr>
<th></th>
<th>2004 Adopted Budget</th>
<th>2005 Adopted Budget</th>
<th>Variance</th>
<th>Expl. No.</th>
<th>2006 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>107,483,821</td>
<td>107,928,927</td>
<td>445,106</td>
<td></td>
<td>113,409,924</td>
</tr>
<tr>
<td>Expenditure</td>
<td>107,483,821</td>
<td>107,928,927</td>
<td>445,106</td>
<td></td>
<td>113,409,924</td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6</td>
<td>-</td>
</tr>
</tbody>
</table>

### Total

<table>
<thead>
<tr>
<th></th>
<th>2004 Adopted Budget</th>
<th>2005 Adopted Budget</th>
<th>Variance</th>
<th>Expl. No.</th>
<th>2006 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>338,118,451</td>
<td>352,007,642</td>
<td>13,889,191</td>
<td></td>
<td>376,145,094</td>
</tr>
<tr>
<td>Expenditures</td>
<td>331,238,145</td>
<td>337,924,820</td>
<td>6,686,675</td>
<td></td>
<td>352,675,916</td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>6,880,306</td>
<td>14,082,822</td>
<td>7,202,516</td>
<td></td>
<td>23,469,178</td>
</tr>
</tbody>
</table>
### Utility Operations - 2005 Compared to 2004

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

### 2005 Operating Budget

#### Utility Operations - 2005 Compared to 2004

<table>
<thead>
<tr>
<th>Expl. No.</th>
<th>Variance Explanations</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td><strong>Solid Waste Disposal</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Revenue Changes:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase in recycling revenues.</td>
<td>$880,081</td>
</tr>
<tr>
<td></td>
<td>Increase in landfill revenues.</td>
<td>221,250</td>
</tr>
<tr>
<td></td>
<td>Miscellaneous.</td>
<td>83,073</td>
</tr>
<tr>
<td></td>
<td><strong>Total Revenue Changes:</strong></td>
<td><strong>$1,184,404</strong></td>
</tr>
<tr>
<td></td>
<td>Expenditure Changes:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase in cost of recycling contracts.</td>
<td>$1,168,112</td>
</tr>
<tr>
<td></td>
<td>Decrease in debt and finance charges.</td>
<td>(319,285)</td>
</tr>
<tr>
<td></td>
<td>Other operational cost increases.</td>
<td>61,253</td>
</tr>
<tr>
<td></td>
<td><strong>Total Expenditure Changes:</strong></td>
<td><strong>$910,080</strong></td>
</tr>
<tr>
<td></td>
<td>Decrease in Deficit</td>
<td><strong>$274,324</strong></td>
</tr>
</tbody>
</table>

| 5         | **Waterworks**         |        |
|           | Revenue Changes:       |        |
|           | Increase in Water sales revenue. | $252,000 |
|           | Other revenue, primarily interest income. | 249,137 |
|           | **Total Revenue Changes:** | **$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 |
|           | **Total Expenditure Changes:** | **$372,705** |
|           | Increase in Surplus | **$128,432** |
## THE CITY OF WINNIPEG

### 2005 Operating Budget

**UTILITY OPERATIONS - 2005 Compared to 2004**

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