

**Agenda – Standing Policy Committee on Finance – November 27, 2018**

**REPORTS**

**Item No. 12                    Financial Status Report and Forecast to September 30, 2018**

**WINNIPEG PUBLIC SERVICE RECOMMENDATION:**

1.        That the Financial Status Report to September 30, 2018 be received as information.
2.        That in the event the General Revenue Fund reports a deficit at year-end, the Financial Stabilization Reserve Fund will transfer to the General Revenue Fund, the amount required to avoid a deficit in the General Revenue Fund. Also considering any amount budgeted as a transfer from the Financial Stabilization Reserve in the 2019 budget, should this Reserve fall below the minimum 6% target of tax-supported expenditures threshold as a result, a replenishment plan starting in 2020, of up to 3 years, will be established to bring the Financial Stabilization Reserve to the minimum threshold amount.
3.        That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

# ADMINISTRATIVE REPORT

**Title:** Financial Status Report and Forecast to September 30, 2018

**Critical Path:** Standing Policy Committee on Finance - Executive Policy Committee  
– Council

## AUTHORIZATION

| Author     | Department Head | CFO     | CAO       |
|------------|-----------------|---------|-----------|
| P. Olafson | M. Ruta         | M. Ruta | D. McNeil |

## EXECUTIVE SUMMARY

The Financial Status Report and Forecast to September 30, 2018 currently anticipates a projected surplus of \$9.5 million for the tax-support budget (General Revenue Fund).

Additional information on taxation revenues and forecasted transfers to the Financial Stabilization Reserve has been provided in Schedule 6.

## RECOMMENDATIONS

1. That the Financial Status Report to September 30, 2018 be received as information.
2. That in the event the General Revenue Fund reports a deficit at year-end, the Financial Stabilization Reserve Fund will transfer to the General Revenue Fund, the amount required to avoid a deficit in the General Revenue Fund. Also considering any amount budgeted as a transfer from the Financial Stabilization Reserve in the 2019 budget, should this Reserve fall below the minimum 6% target of tax-supported expenditures threshold as a result, a replenishment plan starting in 2020, of up to 3 years, will be established to bring the Financial Stabilization Reserve to the minimum threshold amount.
3. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

## REASON FOR THE REPORT

On December 17, 1997, City Council approved clause 1 of the report of the Standing Committee on Fiscal Issues, which requires that a periodic report be approved on a

quarterly basis by the Standing Committee on Fiscal Issues. Since that time, the Standing Committee on Fiscal Issues has been renamed Standing Policy Committee on Finance.

Recommendation 2 included in this report, concerning a transfer between City of Winnipeg funds, falls under Section 288(1) of The City of Winnipeg Charter, which requires approval from City Council.

## IMPLICATIONS OF THE RECOMMENDATIONS

At this time, the Public Service anticipates a projected surplus of \$9.5 million. The Public Service anticipates that the projected surplus will increase over the remainder of the year based on financial improvements typically realized from that forecasted for September 30, as well as through continued efforts to control expenses without impacting the delivery of core services. The Public Service monitors the General Revenue Fund on a regular basis.

The average change over the last five years between September and year-end is \$7.2 million, ranging from a decrease of \$5.7 million and an increase of \$15.6 million.

### Actual Year-end Scenario - General Revenue Fund Surplus

As approved by Council, annual operating General Revenue Fund surpluses automatically transfer to the Financial Stabilization Reserve Fund.

### Actual Year-end Scenario - General Revenue Fund Deficit

Should the General Revenue Fund report a 2018 deficit, the Public Service is recommending a transfer from the Financial Stabilization Reserve. Also considering any amount budgeted as a transfer from the Financial Stabilization Reserve in the 2019 budget, should this Reserve fall below the minimum 6% target of tax-supported expenditures threshold as a result, a replenishment plan starting in 2020, of up to 3 years, will be established to bring the Financial Stabilization Reserve to the minimum threshold amount.

## HISTORY/DISCUSSION

The forecasted results at September and the year-end position before final transfers for the General Revenue Fund for the past five years were as follows:

| Year | Surplus (deficit) in millions at September 30 | Surplus (deficit) in millions at December 31 before Final Transfers |
|------|---|---|
| 2017 | \$ 0.4  | \$ 15.0   |
| 2016 | 0.6   | (5.1)   |
| 2015 | 8.7   | 16.3  |

|      |        |       |
|------|--------|-------|
| 2014 | (14.9) | 0.7   |
| 2013 | (5.7)  | (1.8) |

### **Fire Paramedic Service**

Discussions with Shared Health regarding funding for 2018 are ongoing, with formal confirmation received setting a funding limit of \$24.5 million which is consistent with funding forecasted.

In early 2018, it was determined that the allowance for non-collection of accounts relating to customer receivables for ambulance services was too low when considering long-term payment history and the age of receivables. Additionally the 2018 budget for allowance was too low based on forecasted billings for 2018. These two items have resulted in a net \$1.6 million negative impact in this forecast. Consistent with the previous agreement with the Winnipeg Regional Health Authority (“WRHA”), this is an expense that is subject to cost sharing, with half of the expense to be recovered through additional grant funds from the WRHA. Shared Health (Shared Health has taken over the ambulance responsibilities from WRHA effective April 1, 2018) has agreed to fund their portion of the expense and accordingly been included in their funding limit.

### **Transit**

As of September 30, 2018, the Transit System is forecasting a year-end operating surplus of \$7.9 million. The following table depicts summarized financial information for Transit:

|          | (in millions of \$)   |                |                                   |                              |
|----------|-----------------------|----------------|-----------------------------------|------------------------------|
|          | September<br>Forecast | 2018<br>Budget | September<br>Forecast<br>Variance | June<br>Forecast<br>Variance |
| Fares    | \$ 88.5               | \$ 84.3        | \$ 4.2                            | \$ 3.1                       |
| Other    | <u>109.6</u>          | <u>109.4</u>   | <u>0.2</u>                        | <u>0.1</u>                   |
|          | 198.1                 | 193.7          | 4.4                               | 3.2                          |
| Salaries | 117.5                 | 120.8          | 3.3                               | 1.4                          |
| Parts    | 13.4                  | 17.4           | 4.0                               | 1.5                          |
| Fuel     | 19.2                  | 15.6           | (3.6)                             | (3.5)                        |
| Other    | <u>40.1</u>           | <u>39.9</u>    | <u>(0.2)</u>                      | <u>(0.8)</u>                 |
|          | 190.2                 | 193.7          | 3.5                               | (1.4)                        |
| Surplus  | <u>\$ 7.9</u>         | <u>\$ -</u>    | <u>\$ 7.9</u>                     | <u>\$ 1.8</u>                |

The primary reason for this is higher revenues realized on the sale of Transit’s various fare products. The department noted decreased ridership in 2017, consistent with national and North American trends. With the 2018 twenty-five cent fare increase, it was anticipated this trend would continue in 2018. In fact, ridership in 2018 has been stable compared to 2017 and is resulting in higher than budgeted fare revenue due to the fare increase. Transit is also forecasting expenses to be under budget for 2018. Bus parts expenses are expected to be under budget being realized through various initiatives

including utilizing a strategy to manage emissions in a more cost efficient manner. Salaries and benefits are also forecasted to be under budget due to turnover of bus operators and mechanics. New hires in these positions are being offset by higher than expected retirements and resignations. These savings have been partially offset by higher than budgeted diesel fuel expenses, attributable to diesel prices.

### **Budget Transfers**

During the year, operating budgets were amended to reflect service responsibilities transferred and the actuals included in this report are consistent with the transfer. This includes:

- The transfer of two positions and other operating costs from the Property, Planning and Development department to create the Office of Sustainability located in the Chief Administrative Offices Department, as approved by Council on September 27, 2017;
- The transfer of the Economic Analyst position from Corporate Support Services Department to the Infrastructure Planning Office.

Recommendation 1Q of the Council approved 2016 Budget provides that the CAO be delegated the authority, for departmental units under his authority, to transfer funds and/or budgets between departmental units to reflect administrative structure changes made by the CAO. This follows the authority provided in the City Organization By-law (7100/97) that states, "Except as otherwise provided herein and subject to the appointment of statutory officers as contemplated by The City of Winnipeg Charter, the administrative structure of The City of Winnipeg shall be established by the Chief Administrative Officer."

### **Other**

Corporate Finance Department has prepared this report showing forecasted revenues and expenses to December 31, 2018, for the General Revenue Fund, Utility Funds and Municipal Accommodations Fund. This information was obtained from departments and was based on actual data as at September 30, 2018. Attachments included are the following:

Schedule 1 – The City of Winnipeg – General Revenue Fund – Financial Status Report and Forecast;

Schedule 2 – The City of Winnipeg – General Revenue Fund – Budget

Variances;

Schedule 3 – The City of Winnipeg – General Revenue Fund – Reconciliation of June to September Forecast;

Schedule 4 – The City of Winnipeg – Summary by Fund,

Schedule 5 – The City of Winnipeg – General Revenue Fund – Net Mill Rate by Department; and

Schedule 6 – The City of Winnipeg – General Revenue Fund - Taxation Revenue.

**FINANCIAL IMPACT**

**Financial Impact Statement    Date: November 19, 2018**

**Project Name:**

**Financial Status Report September 30, 2018**

**COMMENTS:**

This report is prepared for information purposes.

**Kaleigh Wills**  
Manager of Financial Reporting and Accounting Services

## **CONSULTATION**

This Report has been prepared in consultation with:

All City of Winnipeg Departments

## **OURWINNIPEG POLICY ALIGNMENT**

01-3 Prosperity Direction 1 Provide Efficient and Focused Civic Administration and Governance. This report supports demonstration of accountability by the City's public service through reporting.

## **SUBMITTED BY**

Department: Corporate Finance  
Division: Corporate Controller's  
Prepared by: Kaleigh Wills  
Date: November 19, 2018  
File No:

**THE CITY OF WINNIPEG - GENERAL REVENUE FUND**  
**FINANCIAL STATUS REPORT AND FORECAST**

Schedule 1

Actual for the nine month period ended September 30, 2018  
forecasted for the year ending December 31, 2018  
(in thousands of dollars)  
(unaudited)

|                                    | <b>Adopted<br/>Budget</b> | <b>Forecast</b>  | <b>Variance<br/>From<br/>Budget</b> | <b>Year to<br/>Date Actual</b> |
|------------------------------------|---------------------------|------------------|-------------------------------------|--------------------------------|
| <b>REVENUES</b>                    |                           |                  |                                     |                                |
| Taxation                           | \$ 695,324                | \$ 695,158       | \$ (166)                            | \$ 533,995                     |
| Government transfers               | 133,530                   | 134,867          | 1,337                               | 55,714                         |
| Sale of goods and services         | 54,477                    | 56,055           | 1,578                               | 42,598                         |
| Regulation fees                    | 58,073                    | 55,638           | (2,435)                             | 40,620                         |
| Other                              | 45,313                    | 46,133           | 820                                 | 1,860                          |
| Interest                           | 36,202                    | 38,625           | 2,423                               | 33,390                         |
| Payments-in-lieu of taxes          | 35,795                    | 35,795           | -                                   | 27,357                         |
| Transfer from other funds          | 23,374                    | 23,450           | 76                                  | 8,147                          |
| <b>Total Revenues</b>              | <b>1,082,088</b>          | <b>1,085,721</b> | <b>3,633</b>                        | <b>743,681</b>                 |
| <b>EXPENSES</b>                    |                           |                  |                                     |                                |
| Assessment and taxation            | 22,433                    | 21,942           | 491                                 | 12,262                         |
| Audit                              | 1,375                     | 1,416            | (41)                                | 853                            |
| Chief administrative offices       | 4,658                     | 4,579            | 79                                  | 3,448                          |
| City clerks                        | 13,161                    | 13,921           | (760)                               | 9,936                          |
| Community services                 | 109,946                   | 108,798          | 1,148                               | 83,275                         |
| Corporate                          | 73,751                    | 69,041           | 4,710                               | 57,090                         |
| Corporate finance                  | 9,112                     | 8,474            | 638                                 | 6,586                          |
| Corporate support services         | 34,811                    | 34,310           | 501                                 | 24,475                         |
| Council                            | 3,575                     | 3,558            | 17                                  | 2,474                          |
| Fire paramedic service             | 193,457                   | 198,193          | (4,736)                             | 142,417                        |
| Legal services                     | 3,292                     | 3,235            | 57                                  | 2,512                          |
| Mayor's office                     | 1,805                     | 1,805            | -                                   | 1,120                          |
| Museums                            | 1,031                     | 1,031            | -                                   | 1,007                          |
| Planning, property and development | 40,430                    | 41,120           | (690)                               | 31,079                         |
| Police services                    | 291,450                   | 290,730          | 720                                 | 216,655                        |
| Policy and strategic initiatives   | 785                       | 735              | 50                                  | 384                            |
| Public works                       | 241,375                   | 239,199          | 2,176                               | 196,778                        |
| Street lighting                    | 13,306                    | 12,442           | 864                                 | 9,332                          |
| Water and waste                    | 22,335                    | 21,722           | 613                                 | 14,076                         |
| <b>Total Expenses</b>              | <b>1,082,088</b>          | <b>1,076,251</b> | <b>5,837</b>                        | <b>815,759</b>                 |
| <b>FORECASTED SURPLUS</b>          | <b>\$ -</b>               | <b>\$ 9,470</b>  | <b>\$ 9,470</b>                     | <b>\$ (72,078)</b>             |

Notes:

- (1) See Schedule 5 for comparable departmental view.
- (2) See Schedule 6 for breakdown of taxation and payments-in-lieu of taxes.



**THE CITY OF WINNIPEG - GENERAL REVENUE FUND**  
**BUDGET VARIANCES ARISING FROM THE**  
**SEPTEMBER 30, 2018 FORECAST**  
**FOR THE YEAR ENDING DECEMBER 31, 2018**

Schedule 2

*(in millions of dollars)*

*(unaudited)*

|   |                      |
|---|----------------------|
| Corporate Accounts favourable variance is mostly related to savings in debt and finance charges due to delaying new debt issuance. Additionally, savings from adjustments to provisions and pension contribution savings. These savings are somewhat offset by a shortfall in budgeted efficiency savings that are being realized in departments.   | <b>4.9</b>           |
| Corporate Finance department's favourable variance is mostly related to higher investment interest revenue and savings in salaries and benefits.  | <b>2.4</b>           |
| Assessment and Taxation department's favourable variance is largely attributable to higher tax penalty interest revenue.  | <b>1.5</b>           |
| Public Works positive variance mostly relates to savings in insect control expenditures due to favourable weather conditions and savings from salaries and benefits. This is somewhat offset by higher snow clearing program expenditures.  | <b>1.1</b>           |
| Community Service department's favourable net mill rate variance is mostly related to savings in salaries and benefits.   | <b>1.0</b>           |
| Planning, Property and Development department's unfavourable variance is mostly due to a decreased in sub-division filing fees revenue, a decreased transfer from Municipal Accommodations.   | <b>(2.2)</b>         |
| Fire paramedic service net mill rate is projected higher than budgeted mainly due to higher overtime and net bad debt expenses. The department is forecasting higher ambulance fees due to higher volume of calls as well as savings compared to budget due to the collective agreement settlement with Manitoba Government and General Employees' Union, both to the financial benefit of Shared Health Services. At the same time, inter-facility transfers are now being funded by Shared Health Services. | <b>(2.9)</b>         |
| Other departmental revenues and expenses.   | <b>3.7</b>           |
| <b><i>Forecasted Surplus</i></b>  | <b><u>\$ 9.5</u></b> |

(1) See Schedule 1 and 5 for breakdown of other departmental revenues and expenses.

**THE CITY OF WINNIPEG - GENERAL REVENUE FUND  
RECONCILIATION OF JUNE TO SEPTEMBER FORECAST  
SEPTEMBER 30, 2018 FORECAST  
FOR THE YEAR ENDING DECEMBER 31, 2018**

**Schedule 3**

*(in millions of dollars)  
(unaudited)*

|  |                      |
|--|----------------------|
| Forecasted General Revenue Fund Deficit - June 30, 2018  | <b>\$ (2.7)</b>      |
| The Police Services favourable variance is mainly due to a reduced overtime and salary expenses, as well an improvement in photo enforcement revenues.   | <b>3.5</b>           |
| Fire Paramedic Service decreased net mill rate is the result of higher revenue due to higher volume of ambulance calls and lower benefit expenses.   | <b>1.9</b>           |
| Corporate Finance's favorable variance is due to higher forecasted interest revenue.   | <b>1.8</b>           |
| Public Works department's improvement is mainly due to savings in insect control due to favourable weather conditions.   | <b>1.4</b>           |
| Corporate Account's favourable variance is mostly related to additional pension savings. This is somewhat offset by a shortfall in budgeted efficiency savings that are being realized in departments. | <b>1.2</b>           |
| Other departmental revenues and expenses.  | <b>2.4</b>           |
| <b><i>Forecasted General Revenue Fund Surplus - September 30, 2018</i></b>   | <b><u>\$ 9.5</u></b> |

# THE CITY OF WINNIPEG - SUMMARY BY FUND

## FINANCIAL STATUS REPORT AND FORECAST

Schedule 4

Actual for the nine month period ended September 30, 2018

forecasted for the year ending December 31, 2018

(in thousands of dollars)

(unaudited)

|  | Adopted<br>Budget | Forecast     | Variance<br>From<br>Budget | Actual      |
|--|-------------------|--------------|----------------------------|-------------|
| <b>General Revenue Fund</b>                |                   |              |                            |             |
| Revenues                                   | \$ 1,082,088      | \$ 1,085,721 | \$ 3,633                   | \$ 743,681  |
| Expenses                                   | 1,082,088         | 1,076,251    | 5,837                      | 815,759     |
| Surplus/(Deficit)                          | \$ -              | \$ 9,470     | \$ 9,470                   | \$ (72,078) |
| <b>Transit System</b>                      |                   |              |                            |             |
| Revenues                                   | \$ 127,339        | \$ 131,690   | \$ 4,351                   | \$ 96,815   |
| Expenses                                   | 187,006           | 183,480      | 3,526                      | 130,874     |
|  | (59,667)          | (51,790)     | 7,877                      | (34,059)    |
| Transfer to Reserves                       | (6,737)           | (6,737)      | -                          | (6,737)     |
| Transfer from General Revenue Fund         | 66,404            | 66,404       | -                          | 49,803      |
| Surplus                                    | \$ -              | \$ 7,877     | \$ 7,877                   | \$ 9,007    |
| <b>Waterworks System</b>                   |                   |              |                            |             |
| Revenues                                   | \$ 133,121        | \$ 133,587   | \$ 466                     | \$ 98,645   |
| Expenses                                   | 77,886            | 75,869       | 2,017                      | 63,597      |
|  | 55,235            | 57,718       | 2,483                      | 35,048      |
| Transfer to:                               |                   |              |                            |             |
| Water Main Renewal Reserve                 | (17,500)          | (17,500)     | -                          | (10,000)    |
| General Revenue Fund                       | (15,487)          | (15,487)     | -                          | -           |
| Surplus Prior to Principal Debt Repayments | 22,248            | 24,731       | 2,483                      | 25,048      |
| Principal Debt Repayments                  | (4,660)           | (4,660)      | -                          | -           |
| Surplus                                    | \$ 17,588         | \$ 20,071    | \$ 2,483                   | \$ 25,048   |
| <b>Sewage Disposal System</b>              |                   |              |                            |             |
| Revenues                                   | \$ 198,041        | \$ 198,604   | \$ 563                     | \$ 145,124  |
| Expenses                                   | 91,543            | 88,951       | 2,592                      | 72,292      |
|  | 106,498           | 109,653      | 3,155                      | 72,832      |
| Transfer to Reserves                       | (41,561)          | (41,561)     | -                          | (15,674)    |
| Transfer to General Revenue Fund           | (22,728)          | (22,728)     | -                          | -           |
| Surplus                                    | \$ 42,209         | 45,364       | 3,155                      | 57,158      |

## THE CITY OF WINNIPEG - SUMMARY BY FUND FINANCIAL STATUS REPORT AND FORECAST

*Actual for the nine month period ended September 30, 2018*

*forecasted for the year ending December 31, 2018*

*(in thousands of dollars)*

*(unaudited)*

|   | <b>Adopted<br/>Budget</b> | <b>Forecast</b>   | <b>Variance<br/>From<br/>Budget</b> | <b>Actual</b>     |
|---|---------------------------|-------------------|-------------------------------------|-------------------|
| <b>Solid Waste Disposal</b>                   |                           |                   |                                     |                   |
| Revenues                                      | \$ 46,321                 | \$ 43,657         | \$ (2,664)                          | \$ 24,751         |
| Expenses                                      | 47,468                    | 44,849            | 2,619                               | 28,317            |
|   | (1,147)                   | (1,192)           | (45)                                | (3,566)           |
| Transfer to Reserve                           | (348)                     | (332)             | 16                                  | (225)             |
| Surplus Prior to<br>Principal Debt Repayments | (1,495)                   | (1,524)           | (29)                                | (3,791)           |
| Principal Debt Repayments                     | (2,259)                   | (2,259)           | -                                   | -                 |
| Deficit                                       | <u>\$ (3,754)</u>         | <u>\$ (3,783)</u> | <u>\$ (29)</u>                      | <u>\$ (3,791)</u> |
| <b>Land Drainage</b>                          |                           |                   |                                     |                   |
| Revenues                                      | 5,946                     | 5,178             | (768)                               | 4,546             |
| Expenses                                      | 5,258                     | 4,477             | 781                                 | 2,934             |
| Surplus Prior to Principal<br>Debt Repayments | 688                       | 701               | 13                                  | 1,612             |
| Principal Debt Repayments                     | (688)                     | (701)             | (13)                                | -                 |
| Surplus                                       | <u>\$ -</u>               | <u>-</u>          | <u>-</u>                            | <u>1,612</u>      |
| <b>Municipal Accommodations Fund</b>          |                           |                   |                                     |                   |
| Revenues                                      | \$ 72,050                 | \$ 71,166         | \$ (884)                            | \$ 51,992         |
| Expenses                                      | 59,968                    | 59,459            | 509                                 | 39,809            |
|   | 12,082                    | 11,707            | (375)                               | 12,183            |
| Transfer to:<br>General Revenue Fund          | (12,082)                  | (11,707)          | 375                                 | (160)             |
| Surplus                                       | <u>\$ -</u>               | <u>\$ -</u>       | <u>\$ -</u>                         | <u>\$ 12,023</u>  |



**THE CITY OF WINNIPEG - GENERAL REVENUE FUND  
FINANCIAL STATUS REPORT AND FORECAST**

forecasted for the year ending December 31, 2018  
(in thousands of dollars)  
(unaudited)

|                                    | Revenues            |                     |                          | Expenses            |                     |                          | Net Mill Rate   |
|------------------------------------|---------------------|---------------------|--------------------------|---------------------|---------------------|--------------------------|-----------------|
|                                    | Adopted Budget      | Forecast            | Variance Budget/Forecast | Adopted Budget      | Forecast            | Variance Budget/Forecast |                 |
| Assessment and taxation            | \$ 690,893          | \$ 691,878          | \$ 985                   | \$ 22,433           | \$ 21,942           | \$ 491                   | \$ 1,476        |
| Audit                              | -                   | -                   | -                        | 1,375               | 1,416               | (41)                     | (41)            |
| Chief administrative offices       | -                   | -                   | -                        | 4,658               | 4,579               | 79                       | 79              |
| City clerks                        | 96                  | 1,603               | 1,507                    | 13,161              | 13,921              | (760)                    | 747             |
| Community services                 | 18,001              | 17,886              | (115)                    | 109,946             | 108,798             | 1,148                    | 1,033           |
| Corporate                          | 133,432             | 133,584             | 152                      | 73,751              | 69,041              | 4,710                    | 4,862           |
| Corporate finance                  | 5,977               | 7,713               | 1,736                    | 9,112               | 8,474               | 638                      | 2,374           |
| Corporate support services         | 1,597               | 1,597               | -                        | 34,811              | 34,310              | 501                      | 501             |
| Council                            | -                   | -                   | -                        | 3,575               | 3,558               | 17                       | 17              |
| Fire paramedic service             | 62,666              | 64,468              | 1,802                    | 193,457             | 198,193             | (4,736)                  | (2,934)         |
| Legal services                     | 653                 | 661                 | 8                        | 3,292               | 3,235               | 57                       | 65              |
| Mayor's office                     | -                   | -                   | -                        | 1,805               | 1,805               | -                        | -               |
| Museums                            | -                   | -                   | -                        | 1,031               | 1,031               | -                        | -               |
| Planning, property and development | 45,661              | 44,135              | (1,526)                  | 40,430              | 41,120              | (690)                    | (2,216)         |
| Police services                    | 44,707              | 44,915              | 208                      | 291,450             | 290,730             | 720                      | 928             |
| Policy and strategic initiatives   | -                   | -                   | -                        | 785                 | 735                 | 50                       | 50              |
| Public works                       | 77,290              | 76,169              | (1,121)                  | 241,375             | 239,199             | 2,176                    | 1,055           |
| Street lighting                    | -                   | -                   | -                        | 13,306              | 12,442              | 864                      | 864             |
| Waterworks and waste               | 1,115               | 1,112               | (3)                      | 22,335              | 21,722              | 613                      | 610             |
| <b>Forecasted Surplus</b>          | <b>\$ 1,082,088</b> | <b>\$ 1,085,721</b> | <b>\$ 3,633</b>          | <b>\$ 1,082,088</b> | <b>\$ 1,076,251</b> | <b>\$ 5,837</b>          | <b>\$ 9,470</b> |

**THE CITY OF WINNIPEG - GENERAL REVENUE FUND**  
**TAXATION REVENUES**

Schedule 6

forecasted for the year ending December 31, 2018  
(in thousands of dollars)  
(unaudited)

|  | <u>Adopted<br/>Budget</u> | <u>Forecast</u>   | <u>Variance<br/>From<br/>Budget</u> | <u>Year to<br/>Date Actual</u> |
|--|---------------------------|-------------------|-------------------------------------|--------------------------------|
| Property taxes                                       | \$ 585,584                | \$ 591,156        | \$ 5,572                            | \$ 441,264                     |
| Transfer to Financial Stabilization Reserve*         | -                         | (5,565)           | (5,565)                             | -                              |
|  | 585,584                   | 585,591           | 7                                   | 441,264                        |
| Business taxes                                       | 56,916                    | 59,259            | 2,343                               | 38,819                         |
| Transfer to Financial Stabilization Reserve*         | -                         | (2,343)           | (2,343)                             | -                              |
|  | 56,916                    | 56,916            | -                                   | 38,819                         |
| Street renewal frontage levy                         | 63,017                    | 62,918            | (99)                                | 62,918                         |
| Electricity tax                                      | 18,325                    | 18,750            | 425                                 | 13,124                         |
| Gas tax  | 3,000                     | 2,750             | (250)                               | 1,592                          |
| Other taxation                                       | 4,277                     | 4,028             | (249)                               | 3,635                          |
| Total taxation and payments-in-lieu of taxes revenue | <u>\$ 731,119</u>         | <u>\$ 730,953</u> | <u>\$ (166)</u>                     | <u>\$ 561,352</u>              |
| Taxation   | \$ 695,324                | \$ 695,158        | \$ (166)                            | \$ 533,995                     |
| Payments-in-lieu of taxes                            | 35,795                    | 35,795            | -                                   | 27,357                         |
| Total taxation and payments-in-lieu of taxes revenue | <u>\$ 731,119</u>         | <u>\$ 730,953</u> | <u>\$ (166)</u>                     | <u>\$ 561,352</u>              |

\* On September 28, 2011, City Council approved a report from the Executive Policy Committee to permit transfers to or from the Financial Stabilization Reserve to offset any variance in the revenue projections for taxes billed including net supplementary taxes used in the General Revenue Fund budget and the actual amounts achieved.