

2016 Budget Speech

NEW BUSINESS

January 11, 2016

Read by Finance Chair Councillor Brent Budz

2016 Budget

Your Worship and members of Council, this evening I am very pleased to present the 2016 budget for approval. We have developed a spending plan for 2016 with a tax increase of **0.65% over 2015, which is the lowest municipal tax increase set in the last fourteen years.**

This is the 2nd budget in this council term and holding tax increases to a minimum continues to be our focus as we deliver quality services to our citizens. It is important to note that despite several years of reducing tax increase, we continue to invest significant dollars into our community. Our strategy of focusing on key infrastructure projects and finding efficiencies within our operations has made this possible. As I have mentioned many times during my tenure as Finance Chair, the demands on our budgeted dollars are many. Municipalities across the nation struggle with managing increasing costs funded by an antiquated taxation system. Many have been pro-active in developing methods to collect funds for essential services like fire protection and policing using specific levies. It is this council's intention to investigate and report to council in the coming year on how our city can equitably distribute these costs differently than the method we are currently using. We have been tasked with creating an economic climate in our city that fosters and promotes expansion and investment in our region. We believe that the city plays an important role in this process and we continue to look at our own operating practices to realize and capture as much efficiency as possible while maintaining the

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critical services that a City of our size must offer. This is an ongoing process that will become more focused in early 2016 as the Lean 6 sigma program is adopted.

Despite the proactive position our City takes in identifying 10 year capital projects, this council has made planning for the future on a more comprehensive perspective a priority. By mid-2016, a report that is compiled by our consultant and vetted by a community stakeholder committee will be presented to council outlining our 15 community development plan. With this in mind I have summarized several projects/initiatives that will be funded in 2016:

General Fund	
Fisher Ave Rail Path Lighting – Phase 3	\$130,000 General Reserve \$30,000 Provincial Grants
18th St - Paved Road, Rail Crossing & Ditch	\$275,000 Land Development Reserve \$200,000 Provincial Grants
Paving Program & Street Improvements	\$397,300 General Operating \$125,000 Provincial Grants \$10,000 General Reserve
Island Park roads - overlay, mill	\$100,000 General Reserve
Crescent Lake Causeway – engineering design	\$150,000 Fuel Tax Grant Reserve \$75,000 Provincial Grants
Grader	\$240,000 Equipment Reserve
Public Works Garage Renovations & Expansion	\$300,000 General Reserve \$300,000 Utility Reserve
New sidewalk, Gigot Ave, 13th to 18th, concrete	\$70,000 General Reserve
Utility Fund	
Wastewater P-3 Project Manager (<i>subject to P3 analysis and decision</i>)	\$60,000 Utility Reserve \$60,000 Federal Grant
Water & Sewer main projects	\$260,000 Utility Operating \$982,000 Utility Reserve \$333,000 Provincial Grants
Vacuum Truck - Replacement	\$150,000 Utility Reserve
Water Plant upgrades including design & Phase 1	\$300,000 Utility Operating \$300,000 Utility Reserve \$600,000 Provincial Grants
Wastewater SBR recirculation pumps	\$80,000 Utility Reserve

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Wastewater Outfall pump replacement	\$64,000 Utility Operating

This list is made up primarily of infrastructure items with focus on pedestrian and vehicle traffic on the General side and water & sewer mains and water plant upgrades on the Utility side. Our community is not unique in its need to deal with aging infrastructure and the need for multiple layers of government to help fund these expensive ventures. The City benefits from strong relationships with both the Federal and Provincial governments and as a result has been utilizing Federal dollars supplied through the Fuel Tax grant for the causeway design and Provincials dollars supplied through Road improvements and Water and Sewer Grants for roadwork and critical infrastructure projects. Without these grants the level of work planned for in the 2016 budget would not be possible.

The City continues its support for an active community through the expansion and or paving of walking pathways as well as new sidewalks. A combined total of \$365,000 is allocated to these projects. By mid-2016 we are expecting the results of our Downtown Parking strategy during which we will be working with the University of Manitoba on possible remedies and recommendations on a comprehensive parking solution involving much of our downtown footprint.

Grants

Important cultural services are delivered within our community and would not be possible without financial support from the City. The General budget also includes \$522,669 in community grants. A complete listing of the grants is in the attached schedule.

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Conclusion

The budget document will be released on the City's website for those wishing to see the standard operating budget totals and special expenditure items.

In total, the City's 2016 budget of \$33.4 Million, which includes a 1.3% increase in expenditures from our general operating fund over 2015, is made up of spending from:

<u>TOTAL SPENDING BUDGET</u>	<u>2016</u>
General Operating Fund	17,452,429
Utility Operating Fund	10,683,254
Reserve Withdrawals	3,828,825
Spending from Capital Grants	<u>1,423,000</u>
	<u>33,387,508</u>

As the 2015 fiscal year is being closed, some additional items will be carried over to the 2016 budget. These will be outlined at the time the 2016 Financial Plan will be presented which can be expected in (March/April).

In summary, City Council approached this year's budget with the objective to bring in a lesser tax increase than the previous year while addressing infrastructure and operating efficiencies. And I am proud to report we have done just that.

In conclusion, Your Worship, I move:

THAT the 2016 General budget and 2016 Utility budget be approved as follows:

<u>TOTAL SPENDING BUDGET</u>	<u>2016</u>
General Operating Fund	17,452,429
Utility Operating Fund	10,683,254
Reserve Withdrawals	3,828,825
Spending from Capital Grants	<u>1,423,000</u>
	<u>33,387,508</u>

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Detailed Listing of Grants for 2016:

Community Grants	Approved
Centennial Community Club Inc.	7,300
Chamber of Commerce	3,750
Fort la Reine Museum	40,000
Handivan - Operating	26,400
Heritage Grant	1,100
Herman Prior	15,000
Hometown Manitoba matching grants	10,000
Hosting Assistance Grant	5,000
Library Board - operating	264,219
PCCI - Transfer to Capital Reserve	20,000
Portage Community Centre Inc. (PCCI) - operating	70,000
Portage Community Revitalization Grant	20,000
Portage Community Revitalization Grant - graffiti removal	5,000
Portage District Arts Council	11,900
Portage Neighbourhood Connections - operating	3,500
Potato Festival	10,000
Public Art Committee	2,000
Recreation Opportunities for Children	5,000
Miscellaneous	2,500
	522,669



Budget Summary
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