



2020 To 2023 Preliminary Operating and Capital Budgets

Planning, Property and Development – Economic Development



Standing Policy Committee on Innovation and Economic Development

March 16, 2020

Agenda

1. Strategic Objectives, Priorities and Performance Measurement
2. Preliminary Operating and Capital Budgets – Summary
3. Operating Budget
 - Operating Budget (Departmental or Service Based Basis)
 - Year over Year Variance Explanations
 - Operating Budget Options and Reductions
 - Salaries and benefits, FTEs, and vacancy management
 - Other Important Operating Budget Information (not applicable)
4. Capital Budget (not applicable)
 - Capital Investment Plan - Authorization
 - Capital Budget Options and Reductions
 - Capital Forecast to Submission Reconciliation
 - Other Important Capital Budget Information
5. Operating and Capital Budget Referrals (not applicable)
6. Questions

Strategic Objectives, Priorities and Performance Measurement

Strategic Objectives and Key Priorities

As presented to Standing Policy on Innovation and Economic Development, November 18, 2019

Source: 2020 Community Trends and Performance Report, Volume 1

- Build a strong economic climate for Winnipeg.
- Facilitate strategic economic development incentives through delivery of Council-approved programs that demonstrate a return on investment to Winnipeg.
- Identify opportunities to respond to critical success factors for industries wanting to do business in Winnipeg through existing City services, incentives and discount programs.
- Capitalize on opportunities to establish inter-governmental and public/private partnerships.
- Identify and recommend, policies, processes and resources required to support Manitoba's economic development strategy and new tax increment financing (TIF) framework.

Source: 2020 Community Trends and Performance Report, Volume 1

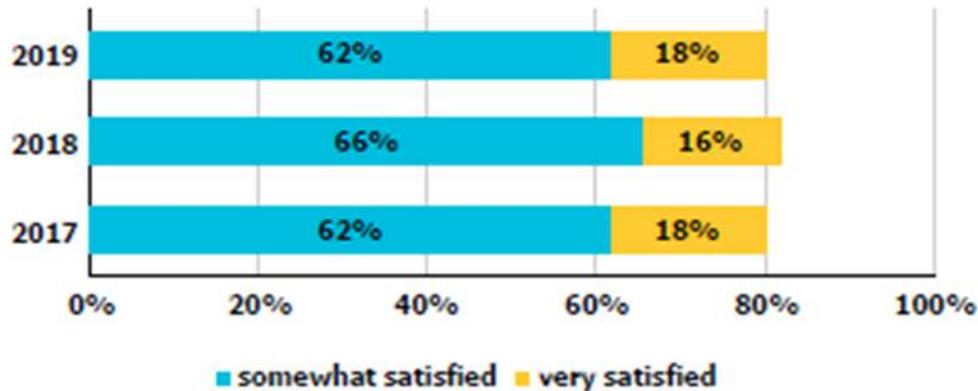
- Partner with the Province of Manitoba in creation of business development programs and initiatives.
- Support partner agencies including Economic Development Winnipeg and Yes! Winnipeg in business attraction, expansion and retention.
- Support CentreVenture Development Corporation in strategic development initiatives, programs and development projects in the downtown.
- Coordinate interdepartmental responses to confidential and high profile strategic economic incentive requests to attract new business.
- Report and make recommendations to Council regarding economic development initiatives and tax increment financing programs to support local business and economic growth and prosperity of Winnipeg.
- Administer Council approved tax increment financing (TIF) programs.

Performance Measurement

As presented to Standing Policy Committee on Innovation and Economic Development, November 18, 2019

Effectiveness Measurements

Citizen Satisfaction with City's Effort in Promoting Economic Development to Attract Businesses and Major Events



Satisfaction with the City's efforts in attracting business and major events remains high.

	2015	2016	2017	2018	2019
Total Satisfied	83%	74%	80%	82%	80%

Source: City of Winnipeg Annual Citizen Survey

- Support partner agencies including Economic Development Winnipeg and Yes! Winnipeg in business attraction, expansion and retention.
- Coordinate interdepartmental responses to high profile strategic economic incentive requests to attract new business.

Strategic Objectives, Priorities and Performance Measurement

Economic Development

Contributing Departments

Planning, Prop. & Devl.	53 %
City Clerks	29 %
Mayor's Office	18 %

Operating Budget	2018 Actual	2019 Budget	2020 Preliminary Budget	Expl.	2021 Projection	2022 Projection	2023 Projection
(in millions of \$)							
Service revenue	0.001	1.806	-	1	-	-	-
Provincial funding (service specific)	-	-	-		-	-	-
Revenues	0.001	1.806	-		-	-	-
Salaries and benefits	0.416	0.571	0.362		0.368	0.375	0.382
Services	0.320	0.455	0.495		0.495	0.495	0.495
Materials, parts and supplies	0.026	0.025	0.025		0.025	0.025	0.025
Assets and purchases	0.006	0.001	0.001		0.001	0.001	0.001
Debt and finance charges	0.154	0.153	0.021		0.022	0.022	0.022
Grants, transfers and other	0.363	0.324	0.317		0.314	0.307	0.300
Recoveries	(0.123)	(0.036)	(0.036)		(0.037)	(0.038)	(0.038)
Operating expenses	1.161	1.492	1.182	1.187	1.186	1.186	
Transfer to Capital	-	0.001	0.001	0.001	-	-	
Total Expenses	1.161	1.493	1.183	2	1.188	1.186	1.186
Mill Rate Support/(Contribution)	1.161	(0.313)	1.183	1.188	1.186	1.186	
Full-time Equivalent Positions	4	4	3	3	3	3	

2020 Preliminary Operating and Capital Budgets

1. Operating Budget – Annual year over year budget growth rates (%) based on 2019 expenditures

	4-Year Average
EPC Target to balance the budget	0%
Operating Options Presented to Committee in Fall 2019 *	-3%
Preliminary Budget	-3%

2020 Preliminary Operating and Capital Budgets

Reserve Balance Summary

Financial Projections (\$000's)	2019 Forecast	2020 Budget	2021 Proj	2022 Proj	2023 Proj
Economic Development Investment Reserve	3,172	3,290	3,324	3,326	3,360
Destination Marketing Reserve	11,254	8,802	8,374	8,042	8,745

Operating Budget (Departmental)

2020 Preliminary Operating Budget and 2021 to 2023 Budget Projections in millions of \$	2018 Actual	2019 Budget	2020 Preliminary Budget	Year over Year Increase / (Decrease)	%	Exp. No.	2021 Projection	2022 Projection	2023 Projection	4 year Average % Change
GOVERNMENT GRANTS	-	-	-	-			-	-	-	
SERVICE AND OTHER	-	1.806	-	(1.806)			-	-	-	
TOTAL REVENUE	-	1.806	-	(1.806)	-100%	1	-	-	-	-25%
SALARIES & BENEFITS	0.299	0.351	0.236	(0.115)			0.242	0.246	0.251	
SERVICES	0.003	0.018	0.018	-			0.018	0.018	0.018	
MATS PARTS & SUPPLIES	-	-	-	-			-	-	-	
ASSETS & PURCHASES	-	-	-	-			-	-	-	
GRANTS, TRANSFERS & OTHER	0.377	0.377	0.377	-			0.377	0.377	0.377	
RECOVERIES	(0.115)	-	-	-			-	-	-	
TOTAL OPERATIONAL EXPENDITURES	0.564	0.746	0.631	(0.115)	-15%		0.637	0.641	0.646	-4%
DEBT & FINANCE CHARGES	-	-	-	-			-	-	-	
TRANSFER TO CAPITAL	-	-	-	-			-	-	-	
TOTAL EXPENDITURES	0.564	0.746	0.631	(0.115)	-15%	2	0.637	0.641	0.646	-4%
Mill Rate Contribution / (Support) *	0.564	(1.060)	0.631	1.691			0.637	0.641	0.646	
Total Operational Expenditures (before capital related expenditures) Year over Year % Change					-15%		1%	1%	1%	-3%
Total Expenditures Year over Year % change					-15%		1%	1%	1%	-3%

Year over Year Variance Explanations

(in millions)

Year over year increase / (decrease)	2020 Preliminary Budget	2021 Budget Projection	2022 Budget Projection	2023 Budget Projection
1) <i>Revenue change due to the following:</i> Decrease in transfer from Economic Development Investment Reserve	(1.806)			
Miscellaneous adjustments				
Net Revenue Change	\$ (1.806)	\$ -	\$ -	\$ -
2) <i>Expenditure change due to the following:</i> (Decrease) / increase in salaries and benefits due to collective agreements net of FTE reductions	(0.115)	0.006	0.004	0.005
Miscellaneous adjustments				
Net Expenditure Change	\$ (0.115)	\$ 0.006	\$ 0.004	\$ 0.005

Operating Budget Options

Options Presented to SPC / Board vs. Preliminary Budget	<i>Total 4-year Proposal</i>	<i>Total 4-year Preliminary Budget</i>	Explanation
a. Eliminate position: Economic Development Administrator	(0.525)	(0.525)	Reduction to meet required four-year 0% increase in expenditure budget
Total Adjustments	(0.525)	(0.525)	

Salary Budget and Full Time Equivalents (FTEs) / Vacancy Management

2020 - 2023 Preliminary Operating Budget

	2019 Adopted Budget	2020 Preliminary Budget	Increase / (Decrease)	2021 Budget Projection	2022 Budget Projection	2023 Budget Projection
Full Time Equivalents <i>(number of FTEs)</i>	3.00	2.00	(1.00)	2.00	2.00	2.00
Salaries & Benefits <i>(in millions of \$)</i>	\$ 0.351	\$ 0.236	\$ (0.115)	\$ 0.242	\$ 0.246	\$ 0.251
Vacancy Management included in Salaries & Benefits <i>(in millions of \$)</i>	\$ (0.018)	\$ (0.014)	\$ 0.004	\$ (0.015)	\$ (0.015)	\$ (0.016)

FTE Reductions by 2023 In Comparison to 2019 Budgeted FTEs

	2023
Vacant Positions	1.00
Filled Positions	-
Total FTE reductions	1.00

Questions?