



2020 Operating and Capital Budget

# Public Works Department Parks and Open Space Division



November 16, 2019

# Agenda

1. Strategic Objectives and Priorities
2. Performance Measurement
3. Parks and Open Space Service Based Budgets
  - Parks and Urban Forestry Service Based Budget
  - Year over Year Variance Explanations
  - Insect Control Service Based Budget
  - Year over Year Variance Explanations
  - Salaries and benefits, FTEs, and vacancy management and options to achieve target
4. Parks and Urban Forestry Capital Budget (including options to achieve target)
  - Capital Budget
  - Implications of the Recommended Target for the Capital Budget
  - Capital Forecast to Submission Reconciliation
5. Operating and Capital Budget Referrals
4. Budget Summary
5. Questions

# Strategic Objectives and Priorities

## Main Services delivered by the Parks and Open Space Division

- **Parks and Urban Forestry**
- **Insect Control**

## Strategic Objectives

Source: Volume 1 Community Trends and Performance Report

- To develop, operate, maintain and preserve all parks and open spaces to promote vibrant, healthy communities while fostering environmental stewardship.
- To provide effective and coordinated nuisance mosquito control and West Nile Virus response while minimizing impact on the environment.

## Key Priorities

Source: Volume 1 Community Trends and Performance Report

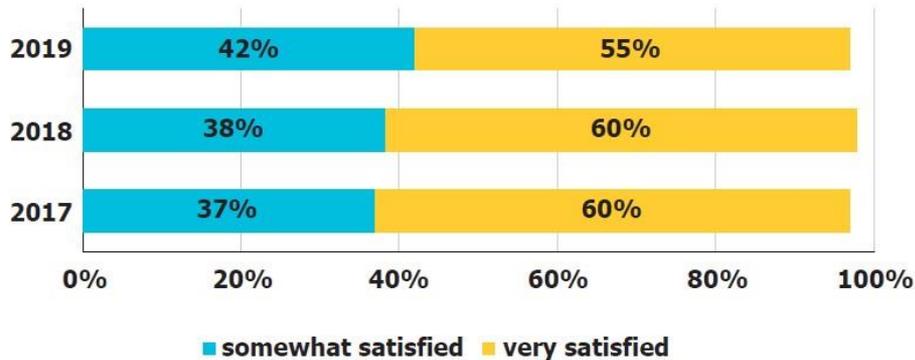
- Maintain and improve parks, athletic fields, playgrounds, and related amenities to meet community leisure needs and interests.
- Preserve and enhance natural areas across the City's park and open space system.
- Protect and enhance the urban forest through effective tree care practices and replacement planting.
- Effective and coordinated nuisance mosquito control and mosquito-borne disease control.

# Performance Measurement

## Parks and Urban Forestry Performance Measurements

### Effectiveness Measurements

Citizen Satisfaction with Condition of Major Parks (e.g. St. Vital or Kildonan)



97% of citizens who have used the City's major parks were either somewhat satisfied or very satisfied in 2019.

	2015	2016	2017	2018	2019
Total Satisfied	93%	96%	97%	98%	97%

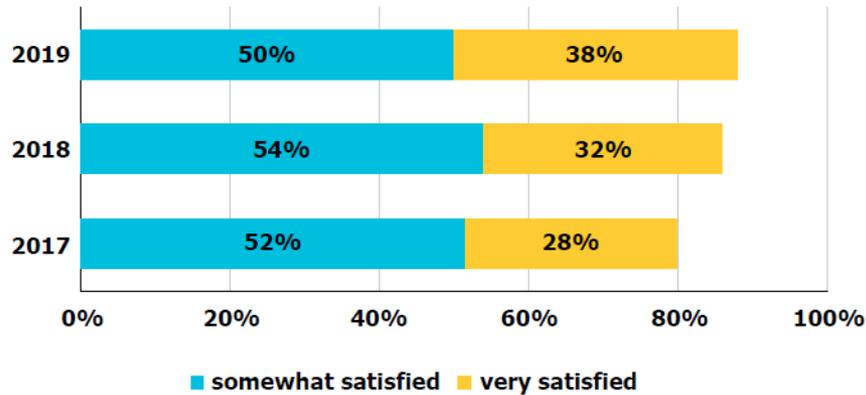
Source: City of Winnipeg Annual Citizen Survey

# Performance Measurement

## Insect Control Performance Measurements

### Effectiveness Measurements

#### Citizen Satisfaction with Insect Control



88% of citizens are either somewhat satisfied or very satisfied with Insect Control services in 2019, an increase of 2% from 2018.

	2015	2016	2017	2018	2019
Total Satisfied	78%	82%	80%	86%	88%

Source: City of Winnipeg Annual Citizen Survey

# Recommended Target to Balance the Budget

1. Public Works Department Operating Budget – 1.5% annual budget growth rates based on 2019 expenditures

2. Cash to capital funding levels:

Department	2020	2021	2022	2023	2024	2025
Public Works – Other	8.647	3.863	3.462	2.931	3.004	1.558
Parks and Urban Forestry Capital Program	6.794	0.682	0	1.317	0.888	3.236
<b>TOTAL PUBLIC WORKS</b>	<b>15.441</b>	<b>4.545</b>	<b>3.462</b>	<b>4.248</b>	<b>3.892</b>	<b>4.794</b>

3. **Key assumptions for multi-year budget:** These proposed recommended targets present a balanced tax-supported operating budget from 2020 to 2023:

- a. Property Tax Increases: 2.33% annually (road renewal and southwest rapid transit (stage 2))
- b. Fees and Charges: Inflationary increases annually
- c. Natural Assessment Base Growth: 1.2% annually
- d. Efficiencies/Vacancy Management: \$17 Million annually
- e. Additional Transfers/Savings: \$32.5 million in 2020 growing to \$40 million by 2023
- f. Provincial Operating Grants: Flat at \$149.7 million annually (2016 level)
- g. Utility dividend rate: 11% of Water and Sewer Sales
- h. Remaining Tax Supported Debt Room: \$150 million in total

# Parks and Urban Forestry Service Based Budget

## Contributing Departments

Public Works 97%

Planning, Property & Development 3%

2020 Draft Service Based Budget and 2021 to 2023 Projections in millions of \$	2018 Actual	2019 Budget	2020 Draft Budget *	Year over Year Increase / (Decrease)	%	Exp. No.	2021 Draft Projection*	2022 Draft Projection*	2023 Draft Projection*
PROVINCIAL FUNDING	1.002	1.005	1.005	-			1.005	1.005	1.005
SERVICE AND OTHER	0.740	1.194	0.687	(0.507)			0.699	0.711	0.724
<b>TOTAL REVENUE</b>	<b>1.742</b>	<b>2.199</b>	<b>1.692</b>	<b>(0.507)</b>	<b>-23.06%</b>	<b>1</b>	<b>1.704</b>	<b>1.716</b>	<b>1.729</b>
SALARIES & BENEFITS	21.660	20.957	21.641	0.684			21.961	22.437	22.861
SERVICES	11.044	11.207	10.954	(0.253)			10.994	11.094	11.137
MATS PARTS & SUPPLIES	3.211	3.090	3.066	(0.024)			3.111	3.157	3.181
ASSETS & PURCHASES	0.200	0.034	0.034	-			0.034	0.034	0.034
GRANTS, TRANSFERS & OTHER	3.810	3.708	3.745	0.037			3.747	3.779	3.799
RECOVERIES	(3.425)	(2.267)	(2.277)	(0.010)			(2.283)	(2.290)	(2.297)
<b>TOTAL OPERATIONAL EXPENDITURES</b>	<b>36.500</b>	<b>36.729</b>	<b>37.163</b>	<b>0.434</b>	<b>1.18%</b>		<b>37.564</b>	<b>38.211</b>	<b>38.715</b>
DEBT & FINANCE CHARGES	0.089	0.071	0.608	0.537			0.786	0.796	0.796
TRANSFER TO CAPITAL	2.915	0.741	6.794	6.053			0.682	-	1.317
<b>TOTAL EXPENDITURES</b>	<b>39.504</b>	<b>37.541</b>	<b>44.565</b>	<b>7.024</b>	<b>18.71%</b>	<b>2</b>	<b>39.032</b>	<b>39.007</b>	<b>40.828</b>
<b>Mill Rate Support / (Contribution) **</b>	<b>37.762</b>	<b>35.342</b>	<b>42.873</b>	<b>7.531</b>			<b>37.328</b>	<b>37.291</b>	<b>39.099</b>

# Year over Year Variance Explanations – Parks and Urban Forestry Service

(in millions)

Year over year (increase) / decrease	2020 Draft Budget	2021 Draft Projection	2022 Draft Projection	2023 Draft Projection
1) <i>Revenue change due to the following:</i>				
- Transfer from Multi-family Dwelling Tax Investment Reserve	\$ (0.510)	\$ -	\$ -	\$ -
- Miscellaneous adjustments.	0.003	0.012	0.012	0.013
<b>Net Revenue Change</b>	<b>\$ (0.507)</b>	<b>\$ 0.012</b>	<b>\$ 0.012</b>	<b>\$ 0.013</b>
2) <i>Expenditure change due to the following:</i>				
- Transfer to Capital	\$ 6.053	\$ (6.112)	\$ (0.682)	\$ 1.317
- Increase in Salaries and Benefits	0.684	0.320	0.476	0.424
- Increase in Debt and Finance	0.537	\$ 0.178	\$ 0.010	\$ -
- Decrease in Fleet equipment and expenditures	(0.290)	\$ 0.080	\$ 0.143	\$ 0.064
- Miscellaneous adjustments.	0.040	\$ 0.001	\$ 0.028	\$ 0.016
<b>Net Expenditure Change</b>	<b>\$ 7.024</b>	<b>\$ (5.533)</b>	<b>\$ (0.025)</b>	<b>\$ 1.821</b>

# Insect Control Service Based Budget

## Contributing Departments

Public Works 100%

2020 Draft Service Based Budget and 2021 to 2023 Projections in millions of \$	2018 Actual	2019 Budget	2020 Draft Budget *	Year over Year Increase / (Decrease)	%	Exp. No.	2021 Draft Projection*	2022 Draft Projection*	2023 Draft Projection*
PROVINCIAL FUNDING	2.376	2.300	2.200	(0.100)			2.200	2.200	2.200
SERVICE AND OTHER	1.977	2.007	2.107	0.100			0.107	0.107	0.107
<b>TOTAL REVENUE</b>	<b>4.353</b>	<b>4.307</b>	<b>4.307</b>	<b>0.000</b>	<b>0.00%</b>	<b>1</b>	<b>2.307</b>	<b>2.307</b>	<b>2.307</b>
SALARIES & BENEFITS	4.182	4.400	4.452	0.052			4.513	4.611	4.699
SERVICES	1.746	3.251	3.208	(0.043)			3.192	3.181	3.207
MATS PARTS & SUPPLIES	2.331	2.690	2.688	(0.002)			2.696	2.704	2.708
ASSETS & PURCHASES	0.107	0.131	0.131	-			0.131	0.131	0.131
GRANTS, TRANSFERS & OTHER	2.099	0.119	0.119	-			0.119	0.119	0.119
RECOVERIES	(0.843)	(0.144)	(0.144)	-			(0.144)	(0.144)	(0.144)
<b>TOTAL OPERATIONAL EXPENDITURES</b>	<b>9.622</b>	<b>10.447</b>	<b>10.454</b>	<b>0.007</b>	<b>0.07%</b>		<b>10.507</b>	<b>10.602</b>	<b>10.720</b>
DEBT & FINANCE CHARGES	-	-	-	-			-	-	-
TRANSFER TO CAPITAL	-	-	-	-			-	-	-
<b>TOTAL EXPENDITURES</b>	<b>9.622</b>	<b>10.447</b>	<b>10.454</b>	<b>0.007</b>	<b>0.07%</b>	<b>2</b>	<b>10.507</b>	<b>10.602</b>	<b>10.720</b>
<b>Mill Rate Support / (Contribution)**</b>	<b>5.269</b>	<b>6.140</b>	<b>6.147</b>	<b>0.007</b>			<b>8.200</b>	<b>8.295</b>	<b>8.413</b>

# Year over Year Variance Explanations – Insect Control Service

(in millions)

Year over year (increase) / decrease	2020 Draft Budget	2021 Draft Projection	2022 Draft Projection	2023 Draft Projection
1) <i>Revenue change due to the following:</i>				
- Transfer from Insect Control Reserve	\$ -	\$ (2.000)	\$ -	\$ -
- Miscellaneous adjustments.	\$ -	0.000	\$ -	\$ -
<b>Net Revenue Change</b>	<b>\$ -</b>	<b>\$ (2.000)</b>	<b>\$ -</b>	<b>\$ -</b>
2) <i>Expenditure change due to the following:</i>				
- Increase in Salaries and Benefits	0.052	0.061	0.098	0.088
- Decrease in Fleet equipment and expenditures	(0.045)	\$ (0.008)	\$ (0.003)	\$ 0.030
- Miscellaneous adjustments.	\$ -	\$ -	\$ -	\$ -
<b>Net Expenditure Change</b>	<b>\$ 0.007</b>	<b>\$ 0.053</b>	<b>\$ 0.095</b>	<b>\$ 0.118</b>

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

## 2020 Draft Operating Budget

	2019 Adopted Budget	2020 Draft Budget*	Increase / (Decrease)	2021 Draft Projection*	2022 Draft Projection*	2023 Draft Projection*
<b>Parks and Urban Forestry Full Time Equivalents</b> <i>(number of FTEs)</i>	308.00	310.00	2.00	310.00	310.00	310.00
<b>Salaries &amp; Benefits</b> <i>(in millions of \$)</i>	\$ 20.957	\$ 21.641	\$ 0.684	\$ 21.961	\$ 22.437	\$ 22.861
<b>Vacancy Management included in Salaries &amp; Benefits</b> <i>(in millions of \$)</i>	\$ (1.019)	\$ (1.039)	\$ (0.020)	\$ (1.040)	\$ (1.054)	\$ (1.069)
<b>Insect Control Full Time Equivalents</b> <i>(number of FTEs)</i>	67.00	67.00	-	67.00	67.00	67.00
<b>Salaries &amp; Benefits</b> <i>(in millions of \$)</i>	\$ 4.400	\$ 4.452	\$ 0.052	\$ 4.513	\$ 4.611	\$ 4.699
<b>Vacancy Management included in Salaries &amp; Benefits</b> <i>(in millions of \$)</i>	\$ (0.220)	\$ (0.224)	\$ (0.004)	\$ (0.225)	\$ (0.228)	\$ (0.231)

# Capital Budget

## Parks and Urban Forestry - GENERAL CAPITAL FUND

### Capital Investment Plan - Authorization

(\$000's)

	2019 Adopted	2020 Draft Budget*	Authorization					6-Year Total
			Draft Forecast*					
			2021	2022	2023	2024	2025	
<b>List of Capital Projects:</b>								
1 Reforestation	383	383	383	383	383	383	383	2,298
2 Athletic Fields - Improvements	350	-	-	-	-	-	-	-
3 Community and Neighbourhood Parks - Existing	170	-	-	-	-	-	-	-
4 Regional Parks	-	-	1,175	-	1,464	-	-	2,639
5 Parks Buildings	350	-	2,650	-	-	-	-	2,650
6 Parks and Recreation Enhancement Program	3,300	1,464	1,384	1,598	1,731	300	300	6,777
7 Urban Forest Enhancement Program	4,100	4,159	3,800	3,800	3,800	1,362	3,630	20,551
<b>TOTAL PARKS &amp; URBAN FORESTRY CAPITAL PROGRAM</b>	<b>8,653</b>	<b>6,006</b>	<b>9,392</b>	<b>5,781</b>	<b>7,378</b>	<b>2,045</b>	<b>4,313</b>	<b>34,915</b>

Options to Achieve the Target		2020	2021	2022	2023	2024	2025	6-Yr Total
a. Reforestation				191	191	191	191	764
b. Athletic Fields - Improvements		(350)	(350)	(175)	(175)	(175)	(175)	(1,400)
c. Regional Parks		-	-	(503)	(1,361)	-	-	(1,864)
d. Parks Buildings		(1,000)	(370)	(310)	(525)	-	-	(2,205)
e. Boat Docks and Launches		(100)	-	-	-	-	-	(100)
f. Parks and Recreation Enhancement Program		(1,836)	(1,916)	(1,702)	(1,569)	(3,000)	(3,000)	(13,023)
g. Urban Forest Enhancement Program		-	-	-	-	(2,438)	(170)	(2,608)
<b>Total Options to Achieve the Target *</b>		<b>(3,286)</b>	<b>(2,636)</b>	<b>(2,499)</b>	<b>(3,439)</b>	<b>(5,422)</b>	<b>(3,154)</b>	<b>(20,436)</b>
EPC Recommended Target to Balance		(3,286)	(2,636)	(2,499)	(3,439)	(5,422)	(3,154)	(20,436)
<b>Variance (Shortfall from Target)</b>		<b>-</b>						

\* 2020 Draft Budget and Five Year Draft Forecast include the options to achieve the capital target

EPC Recommended Target to Balance		2020	2021	2022	2023	2024	2025	6-Yr Total
Public Works Capital Program - Other		(7,310)	(5,865)	(5,561)	(7,656)	(12,069)	(7,019)	(45,480)
Parks and Urban Forestry Capital Program		(3,286)	(2,636)	(2,499)	(3,439)	(5,422)	(3,154)	(20,436)
<b>TOTAL EPC Recommended Target to Balance</b>		<b>(10,596)</b>	<b>(8,501)</b>	<b>(8,060)</b>	<b>(11,095)</b>	<b>(17,491)</b>	<b>(10,173)</b>	<b>(65,916)</b>

# Implications of the Recommended Target for the Capital Budget

a. Increased funding for reforestation.

b. Cancellation of Athletic Field Improvement projects.

c. Regional Parks - modification of the scope to the Kilcona Park rehabilitation project.

d. Cancellation of Park Building upgrades (Assiniboine Park yard, Centennial Park and Living Prairie Museum).

e. Cancellation of the Boat Dock and Launch study.

f. Parks and Recreation Enhancement program investments will include priority and urgent projects only.

g. Reduced funding for Urban Forest Enhancements in 2024 and 2025.

# Capital Forecast to Draft Budget (Including Options to Achieve Capital Target) Reconciliation

<b><i>CAPITAL PROJECTS SUMMARY</i></b>	<b>ADOPTED</b>	<b>ADOPTED IN PRINCIPLE</b>		
<i>(in Thousands of \$)</i>	<b>BUDGET</b>	<b>FORECAST</b>	<b>CHANGES</b>	<b>DRAFT BUDGET</b>
	<b>2019</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>
<b><u>PUBLIC WORKS DEPARTMENT</u></b>				
Reforestation - Improvements	383	383		383
Athletic Fields - Improvements	350	192	(192)	
Community and Neighbourhood Parks - Existing	170			
Regional Parks				
Parks Buildings	350	1,000	(1,000)	
Boat Docks and Launches		100	(100)	
Parks and Recreation Enhancement Program	3,300	3,300	(1,836)	1,464
Urban Forest Enhancement Program	4,100	4,159		4,159
<b>PUBLIC WORKS DEPARTMENT - Parks &amp; Open Space</b>	<b>8,653</b>	<b>9,134</b>	<b>(3,128)</b>	<b>6,006</b>

# Capital Forecast to Draft Budget (Including Options to Achieve Capital Target) Reconciliation

<b>CAPITAL PROJECTS SUMMARY</b>		DEPT.			DEPT.	
<i>(in Thousands of \$)</i>	FORECAST	CHANGES	DRAFT BUDGET	FORECAST	CHANGES	DRAFT BUDGET
	2021	2021	2021	2022	2022	2022
<b><u>PUBLIC WORKS DEPARTMENT</u></b>						
Reforestation - Improvements	383		383	192	191	383
Athletic Fields - Improvements	350	(350)		175	(175)	
Community and Neighbourhood Parks - Existing						
Regional Parks	1,175		1,175			
Parks Buildings	3,020	(370)	2,650	123	(123)	
Boat Docks and Launches				690	(690)	
Parks and Recreation Enhancement Program	3,300	(1,916)	1,384	3,300	(1,702)	1,598
Urban Forest Enhancement Program	3,800		3,800	3,800		3,800
<b>PUBLIC WORKS DEPARTMENT - Parks &amp; Open Space</b>	<b>12,028</b>	<b>(2,636)</b>	<b>9,392</b>	<b>8,280</b>	<b>(2,499)</b>	<b>5,781</b>

# Capital Forecast to Draft Budget (Including Options to Achieve Capital Target) Reconciliation

<b>CAPITAL PROJECTS SUMMARY</b>		DEPT.			DEPT.			6 YEAR TOTAL
<i>(in Thousands of \$)</i>	FORECAST	CHANGES	DRAFT BUDGET	FORECAST	CHANGES	DRAFT BUDGET	DRAFT BUDGET	
	2023	2023	2023	2024	2024	2024	2025	2020-2025
<b><u>PUBLIC WORKS DEPARTMENT</u></b>								
Reforestation - Improvements	192	191	383	192	191	383	383	2,298
Athletic Fields - Improvements	175	(175)		175	(175)			
Community and Neighbourhood Parks - Existing								
Regional Parks	2,825	(1,361)	1,464					2,639
Parks Buildings	525	(525)						2,650
Boat Docks and Launches								
Parks and Recreation Enhancement Program	3,300	(1,569)	1,731	3,300	(3,000)	300	300	6,777
Urban Forest Enhancement Program	3,800		3,800	3,800	(2,438)	1,362	3,630	20,551
<b>PUBLIC WORKS DEPARTMENT - Parks &amp; Open Space</b>	<b>10,817</b>	<b>(3,439)</b>	<b>7,378</b>	<b>7,467</b>	<b>(5,422)</b>	<b>2,045</b>	<b>4,313</b>	<b>34,915</b>

# Operating Budget Referrals

Operating Budget Referrals			2020	2021	2022	2023
Urban Forest Enhancement	Emerald Ash Borer Preparedness, Response & Management Options - a) Refer the matter to the 2020 operating budget process, b) A new Supervisor of Urban Forestry Technical Services permanent position (\$92,771)	Council (March 20, 2019)	✓	✓	✓	✓

Included in the budget	✓
Not budgeted	x

# Capital Budget Referrals

Capital Budget Referrals			2020	2021	2022	2023	2024	2025
Rainbow Stage	Repairs and Upgrades to Rainbow Stage - Up to \$3 million for repairs and upgrades to Rainbow Stage in Kildonan Park be referred to the 2020 budget for consideration, subject to securing matching funds from other levels of government and/or private fundraising.	Council (March 20, 2019)	x	x	x	x	x	x
Off-Leash Dog Areas Master Plan	Off-Leash Dog Areas Master Plan - That \$300,000 per year for the next six years be referred to the 2020 Capital Budget Process to implement the Off-Leash Dog Areas Master Plan.	Council (March 20, 2019)	x	x	x	x	x	x

Included in the budget	✓
Not budgeted	x

# Operating Budget Summary by Service

Recommended target – 4 year budget – 1.5% annual budget growth rate

(in millions of \$)

Service Numbers based on Public Works Expenditures only	2019 Approved Budget	2020 Projection (from 2019)	2020 Draft Budget	2021 Draft Projection	2022 Draft Projection	2023 Draft Projection
Parks & Urban Forestry	36.414	43.976	43.454	37.903	37.856	39.656
Insect Control	10.447	10.537	10.454	10.507	10.602	10.720
Public Works Department Services - Other	197.941	225.573	213.517	222.584	236.096	250.395
<b>Expenditure Budget*</b>	244.802	280.086	<b>267.425</b>	<b>270.994</b>	<b>284.554</b>	<b>300.771</b>
<b>EPC Recommended Expenditure Target</b>			<b>267.425</b>	<b>270.994</b>	<b>284.554</b>	<b>300.771</b>
<b>Variance (Shortfall from Target)</b>			-	-	-	-

\* Note: Draft budget and projections include the options to achieve the EPC recommended targets to balance.

# Capital Budget Summary

(in millions of \$)

	2019 Approved Capital	2020 Draft Budget	Draft Forecast				
			2021	2022	2023	2024	2025
Public Works Capital Program - Other	4.740	8.647	3.863	3.462	2.931	3.004	1.558
Parks and Urban Forestry Capital	0.741	6.794	0.682	-	1.317	0.888	3.236
<b>Cash to Capital Budget*</b>	<b>5.481</b>	<b>15.441</b>	<b>4.545</b>	<b>3.462</b>	<b>4.248</b>	<b>3.892</b>	<b>4.794</b>
<b>EPC Recommended Capital Target</b>		<b>15.441</b>	<b>4.545</b>	<b>3.462</b>	<b>4.248</b>	<b>3.892</b>	<b>4.794</b>
<b>Variance (Shortfall from Target)</b>		-	-	-	-	-	-

\* Note: Draft budget and forecast include the options to achieve the EPC recommended targets to balance.

# Questions?