



# 2022 Budget Update

## 2020 – 2023 Multi-Year Budget

Planning, Property and Development - Economic Development

Photo: Tyler Walsh, courtesy Tourism Winnipeg

Standing Policy Committee on Innovation and Economic Development

November 29, 2021

# Agenda

1. Service Description, Objectives and Performance Measurement
2. Budget Overview and Highlights
3. Operating Budget:
  - Changes
  - FTEs / Salaries and Benefits (not applicable)
  - Reserve Summary
  - Referrals (not applicable)
4. Capital Budget:
  - Summary
  - Key Projects
  - Changes
  - Referrals (not applicable)
  - Other Important Information (not applicable)
5. Other Important Information and Questions



# What We Do

## Services Provided\*

Services	Description
Economic Development	To encourage economic growth and prosperity in Winnipeg through delivery of Council approved programs, partnership with senior levels of government, and support to partner agencies, businesses and other stakeholder groups as well as to coordinate resources across City departments to respond to high priority projects of strategic economic importance to the City

\* 1. Source: 2022 Preliminary Budget - Operating and Capital, Volume 2

# How We Did

## Our Winnipeg:



### Performance Reporting

Service Goal / Measure Description	2018	2019	2020	2021
<b>To build and maintain a strong economic climate for Winnipeg.</b>				
Ranking for lowest municipal property taxes among 13 major Canadian cities	1st	1st	1st	1st
Business tax rate	5.14%	4.97%	4.84%	4.84%
Small Business Tax Credit annual rental value threshold	\$33,300	\$33,900	\$35,700	\$44,200
<b>To identify and recommend, policies, processes and resources required to support Manitoba's economic development strategy and new tax increment financing (TIF) framework.</b>				
Note: measures related to this service goal to follow in subsequent years				

\* Source: Volume 2, Adopted Budget - Operating and Capital for each year noted above

# How We Did

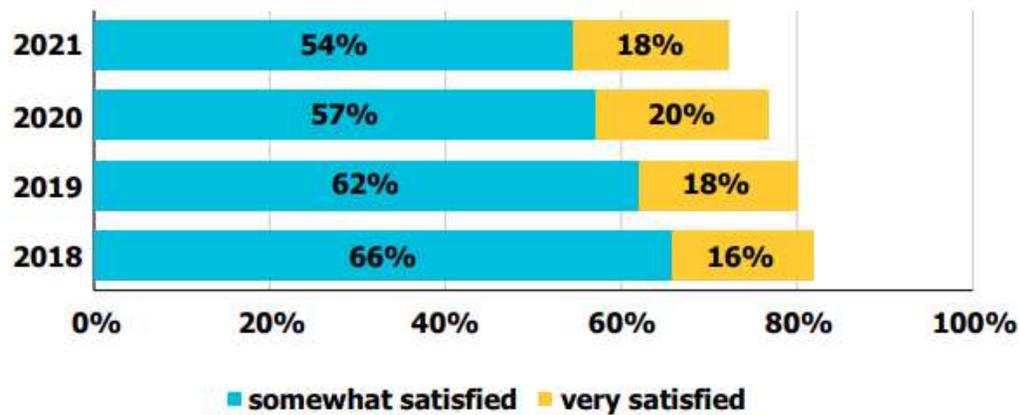
## Performance Measurements\*

Our Winnipeg:



Economic Prosperity (EP)

### 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 has been trending downward, with the largest decrease concurrent with the COVID-19 pandemic.

	2018	2019	2020	2021
<b>Total Satisfied</b>	82%	80%	77%	72%

Source: City of Winnipeg Annual Citizen Survey

# How We Did

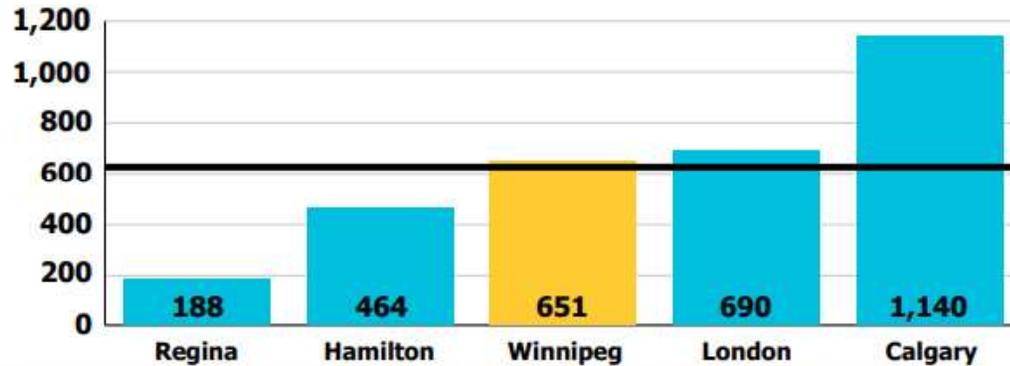
## Performance Measurements\*

Our Winnipeg:



Economic Prosperity (EP)

### New Residential Units Created per 100,000 Population (2019)



This is an economic indicator that highlights development trends in a municipality. Typically, there is a correlation between the number of new residential dwelling units, population growth and the overall economic growth of a municipality. Winnipeg's new residential units created per 100,000 population is comparable to the average (627).

	2015	2016	2017	2018	2019
<b>Wpg. Trend</b>	469	543	650	498	651

Source: Municipal Benchmarking Network Canada (BLDG221)

# How We Did

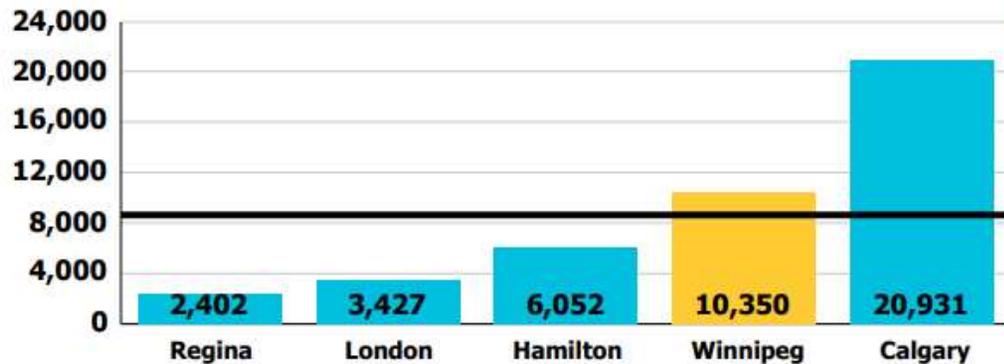
## Performance Measurements\*

### Our Winnipeg:



Economic Prosperity (EP)

### Number of Building Permits Issued (2019)



This measure includes residential and ICI (Industrial, Commercial and Institutional) building permits issued. Building permits are defined as "permits required for construction" and are subject to the respective Building Code Act of each province. Winnipeg's number of building permits issued is above the average (8,632).

	2015	2016	2017	2018	2019
<b>Wpg. Trend</b>	10,654	10,929	11,669	9,879	10,350

Source: Municipal Benchmarking Network Canada (BLDG801)

# Budget Overview

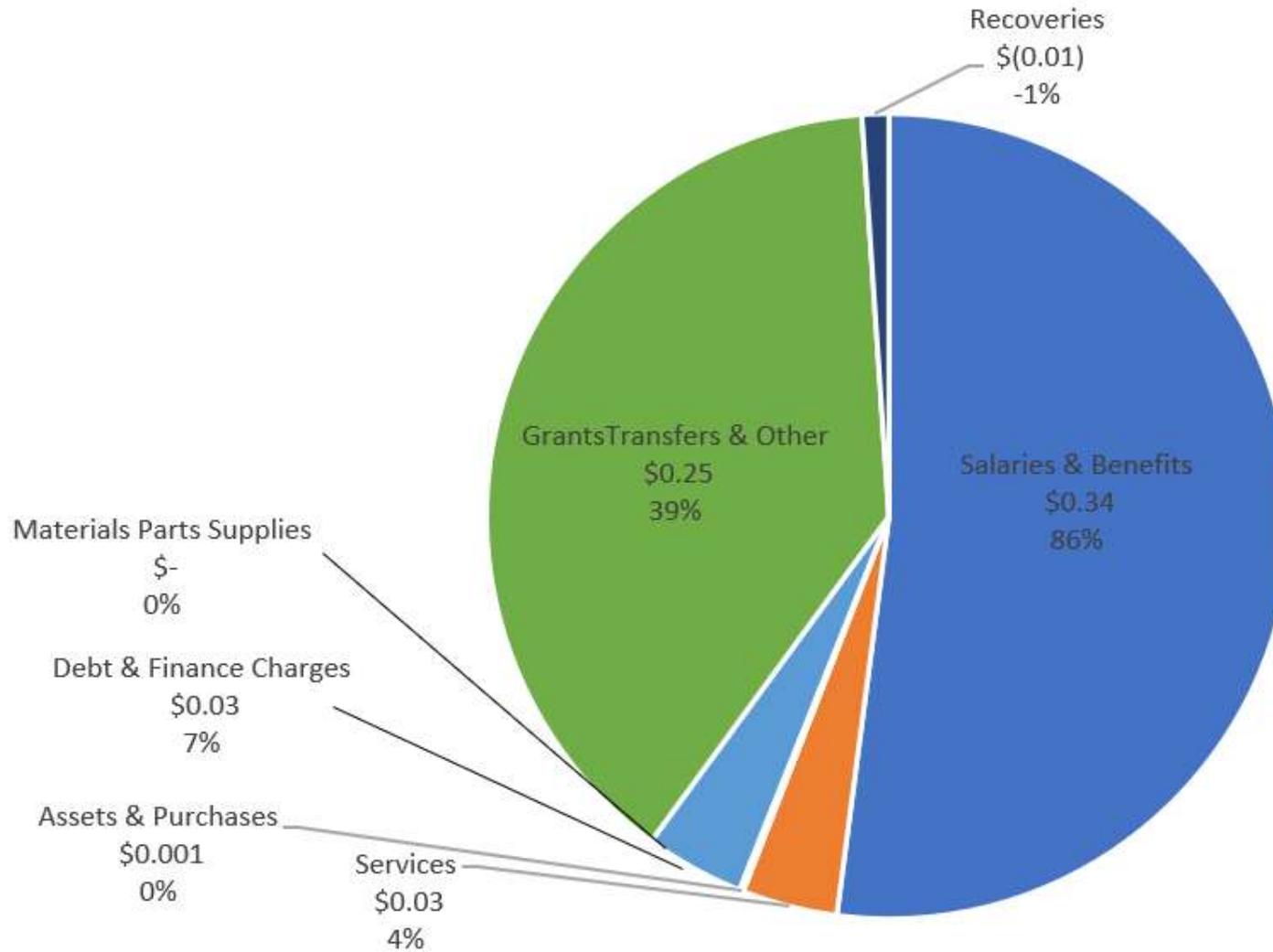
# Budget Overview

## (Service Based View)

Preliminary 2022 Budget Update				
Service Based Budget (in millions of \$)	% Contribution to Service Based Budget	Operating Budget (Mill Rate Contribution)	Capital Budget	Reserves, Net Income (Revenue Less Expenditures)
Economic Development	40.0	(0.6)	20.0	(2.8)
Notes:				
1. Other contributing departments include - City Clerks (27% - \$434,969), CAO's Office (21% - \$338,013), Mayor's Office (12% - \$198,494)				
2. Reserve projected ending balance includes the Economic Development Investment Reserve (\$22,738) and the Destination Marketing Reserve Fund (\$1,329,280)				

# Budget Overview

Preliminary Budget Expenditures = \$0.64 million



## Operating Budget Highlights

Annual Tax Supported Operating Increase <sup>1</sup>	Average <sup>3</sup>
2022 Preliminary Budget Submission	2.6%
Approved in the Multi-Year Budget <sup>2</sup>	(1.0%)

### Budget Impacts – Not Projected in MYB<sup>4</sup>, Included in Preliminary Budget

Allocation from Organizational Support Services (OSS) related to the establishment of the Economic Development Office in 2021	

**Notes:**

1. Based on expenditures before capital related expenditures
2. Adopted Multi-Year Budget (MYB) 2020 Budget and 2021 to 2023 Projections - March 20, 2020
3. Average expenditure increase for 2020 to 2023
4. Adopted Multi-Year Budget (MYB) 2020 & 2021 Budget, 2022 to 2023 Projections – December 16, 2020
5. Based on best case scenario, March 2021 economic update
6. Budgets / services impacted is not an exhaustive listing

# Operating Budget

# Operating Budget Changes

Operating Budget (In millions \$)	MYB Criteria	2022	2023	2022 to 2023
		Preliminary Budget	Projection	Total
<b>Mill Rate Support - Council Approved from 2021 Budget Process (a)</b>		<b>1.3</b>	<b>1.3</b>	<b>2.6</b>
<i>Increase (Decrease) From Forecast:</i>				
<i>Revenue:</i>				
Increase in transfer from Economic Development Investment Reserve	REV/COST	2.2	-	2.2
<b>Revenue Net Change (b)</b>		<b>2.2</b>	<b>-</b>	<b>2.2</b>
<i>Expenditures:</i>				
Increase in Salaries & Benefits due to transfer of 3 FTE's from Organizational Support Services related to the establishment of the Economic Development Office	REV/COST	0.4	0.4	0.8
Miscellaneous adjustments	HOUSEKEEP	(0.1)	(0.1)	(0.1)
<b>Expenditures Net Change (c)</b>		<b>0.3</b>	<b>0.3</b>	<b>0.6</b>
				-
<b>Mill Rate Support / (Contribution) - Preliminary Budget Submission (a+b-c)</b>		<b>(0.6)</b>	<b>1.6</b>	<b>1.0</b>

\* Includes housekeeping or fine tuning adjustments.

Multi-year Budget (MYB) Criteria:

LEG - Legislative Changes

REV/COST - Revenue / cost driver

COUNCIL - Council Direction

INCRE - Incremental operational impact

HOUSEKEEP - Housekeeping / fine tuning adjustments

# Reserve Summary

(in million of \$)

**Reserve Name**

- 1 Economic Development Investment Reserve
- 2 Destination Marketing Reserve

**Total Reserves**

2022				
Beginning Balance	Revenue	Expense	Net (Revenue less Expenses)	Forecasted Ending Balance
2.1	2.3	4.4	(2.1)	0.0
2.1	7.0	7.8	(0.8)	1.3
4.2	9.3	12.1	(2.8)	1.4

# Capital Budget

## Capital Summary – By Service

Service (\$000's)	2021 Adopted Budget	2022 Preliminary	2023 - 2027 Forecast	6-year Total
Economic Development	-	20,000.0	-	20,000.0
				-
<b>Total Capital Submission</b>	-	<b>20,000.0</b>	-	<b>20,000.0</b>

# Capital Budget Changes

Projects (\$000's)	MYB Criteria	2022 Preliminary	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2022 to 2026 Total	2027 Forecast	6-year Total
<b>Council Approved Forecast</b>		-	-	-	-	-	-	-	-
Increase / (Decrease) From Forecast:									
Economic Response & Recovery Plan: Revitalizing Downtown Strategy	REV/COST	10,000.0					10,000.0		10,000.0
Economic Response & Recovery Plan: Related Infrastructure Investments	REV/COST	10,000.0					10,000.0		10,000.0
2027 Preliminary Submission								-	-
Total Changes		20,000.0	-	-	-	-	20,000.0	-	20,000.0
<b>PRELIMINARY CAPITAL BUDGET</b>		<b>20,000.0</b>	-	-	-	-	<b>20,000.0</b>	-	<b>20,000.0</b>

## Variance from Forecast:

Revitalizing Downtown Strategy and Related Infrastructure new projects.

