

Winnipeg city council narrowly passes budget

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Mayor Brian Bowman speaks during a press briefing at city hall in Winnipeg on Tuesday, Nov. 17, 2020. PHOTO BY KEVIN KING /Winnipeg Sun

The chasm between the mayor's inner circle and city hall's de facto opposition grew wider on Wednesday after the 2021 budget was ratified by city council through a narrow majority vote of 9-7.

Highlights of the 2021 budget include grants for small business, \$4 million for the purchase of personal protective equipment for front-line workers, property and business tax deferrals, \$3.3 million to support affordable housing and economic development and the elimination of business taxes for around 1000 small businesses.

Other highlights include a property tax increase of 2.33%, a \$104.3 million transit subsidy to address lower ridership during the pandemic, a 3-year \$50 million recreation and library investment, and \$152.2 million for road renewals.

The city has authorized up to \$24.7 million in new borrowing for the capital budget.

"We are living in extraordinary days, and fighting the COVID-19 pandemic continues to be the number one priority for Mayor Bowman and for all of us as members of Winnipeg city council," said Coun. Scott Gillingham, chairman of the city's Finance committee on Wednesday. "COVID-19 continues to have significant impacts on city finances. No sooner had council adopted the city's first ever multi-year balanced budget on March 20th this year, when we were hit with the first wave of the pandemic."

As the first round of public health orders came into effect, Gillingham said the city began seeing a corresponding financial impact on the 2020 budget, adding council promptly established a crisis cash flow plan to manage the city's finances in terms of liquidity and stability.

"I've described the advantage of a multi-year balanced budget before as being like an anchor," he said. "When anchored, your boat may drift a few feet from side to side, but it will not get blown away in a storm. It's held in place, and it returns to that place."

This city is also planning a six-year, \$2.3 billion capital investment plan – roads, buses, sewers, trees and water meter renewals – which could create around 10,000 person-years of employment.

Coun. Kevin Klein (Charleswood-Tuxedo-Westwood) told the Winnipeg Sun on Wednesday the city is over \$1 billion in debt, adding direct debt as a percentage of operating revenue is 89.9%. He said the debt strategy limit is 90%. He referred to the budget as a series of talking points to appease the mayor's inner circle. He said the budget doesn't address financial risk or Winnipeg's soaring crime rate, adding those outside the mayor's Executive Policy Committee (EPC) are mostly left in the dark.

"It's difficult, if not impossible, for any councillor to fulfill their duties and responsibilities when information is being withheld," he said. "The reasoning behind decisions is not provided. That's City Hall. We've heard about the EPC and the divide for years."

Coun. Shawn Nason (Transcona) told reporters on Wednesday the budget was balanced primarily by debt. He said the budget process lacks innovation and builds on a pattern of stale thinking.

"We remain in a situation that excludes all voices on council and the citizens we represent," he said. "Hearing voices with a different perspective is an opportunity to build a stronger community and a better city. We have a very small collective of individuals who make the decisions. By the time it comes to council, there are already at least nine votes for the budget. The horse-trading and the jockeying have been done. What's left are the scraps that fall off the table."

Votes for the 2021 budget: Mayor Brian Bowman, Coun Matt Allard (St. Boniface), Coun. Jeff Browaty (North Kildonan), Coun. Markus Chamber (St. Norbert Seine River), Coun. Scott Gillingham (St. James), Coun. Cindy Gilroy (Daniel McIntyre), Coun. Brian Mayes (St. Vital), Coun. John Orlikow (River Heights-Fort Garry), Coun. Sherri Rollins (Fort Rouge-East Fort Garry).

Votes against: Coun. Ross Eadie (Mynarski), Coun. Kevin Klein (Charleswood-Tuxedo-Westwood), Coun. Janice Lukes (Waverley West), Coun. Shawn Nason (Transcona), Coun. Vivian Santos (Point Douglas), Coun. Jason Schreyer (Elmwood East), Coun. Devi Sharma (Old Kildonan)