

CORPORATE POLICY: New Projects Policy

2.	Finance		
2.2	Budget		
2.2.X	New/ Enhanced Assets Policy		
Approved by	Council		
On	<u>February 23, 2015</u>	Report Number:	<u>F-01-15</u>
Effective	<u>February 23, 2015</u>	Amended:	<u>November 1, 2017</u>
Next Review	<u>n/a</u>	Note:	<u></u>

Purpose To provide direction regarding the City of Burlington service enhancements principles and the appropriate funding and treatment.

Policy Statements

- 1. New Capital Initiatives Forms must be completed for:**
 - a. **All new capital items to the city's asset inventory where the total project cost exceeds \$100,000**
 - OR**
 - b. **All renewal projects in which a significant portion of the total project cost (25% or greater) is attributable to providing an enhanced level of service to the community beyond the asset replacement value and that currently provided by the asset and the enhancement portion cost exceeds \$100,000.**
 - c. **Forms are required for projects in the budget year only.**
 - d. **For mutli-year projects, forms are only required in the first year.**
2. The purchase of new assets must be presented through the capital budget process and be included in the Respective Asset Category 10 Year Capital Budget and Forecast.
3. The priority setting of projects must be assessed annually by the respective asset category lead for inclusion within the capital budget.
4. Projects included in the capital budget must be approved by the Asset Category Team and presented to the Capital Budget Leadership Team.

5. The possible funding sources available for new/ enhanced assets will include the following:
 - 1) Capital from Current (cash funding);
 - 2) Debt; (minimum \$100,000 threshold)
 - 3) Various Non-Renewal Reserve Fund Contributions;
 - 4) Other Third Party Funding.
6. **New Capital Initiatives and significant enhancements to existing assets will be identified by the respective Asset Category leads.**

Scope This policy applies to all service enhancement projects **and significant enhancements to existing assets** in the City of Burlington.

Definitions For the purposes of this policy, the following definitions shall apply:

Term	Definition
<i>Service Enhancements</i>	Capital projects of this nature are increases to service levels beyond that which is currently being provided or those not included in the City’s Asset Management Plan or related to mandatory / legislated requirements for existing assets. Projects under this category would not normally qualify for DC funding as they are not a direct result of growth within the city. Projects may be the result of Master Plan studies, strategic plan implementation items, etc.

References: F-22-12 Long Term Financial Plan

Roles	
Accountable:	Director of Finance
Responsible:	Respective Asset Category Lead