



SUBJECT: Approval of 2018 capital budget and forecast

TO: Committee of the Whole - Budget

FROM: Finance Department

Report Number: F-37-17-2

Wards Affected: All

File Numbers: 435-01

Date to Committee: December 1, 2017

Date to Council: December 11, 2017

Recommendation:

Approve the 2018 capital budget for the City of Burlington, with a gross amount of \$68,562,193 and a debenture requirement of \$11,477,656, and the 2019-2027 capital forecast with a gross amount of \$619,464,356 and a debenture requirement of \$60,738,172 as outlined in report F-37-17 and as amended by the Committee of the Whole - Budget; and

Administer the debenture in the amount of \$9,492,656 in 2018 as tax supported debt; and

Administer the debenture in the amount of \$65,000 in 2018 as non-tax supported debt; and

Administer the debenture in the amount of \$1,920,000 in 2018 as special circumstances debt; and

Authorize staff to proceed with the 2018 capital projects representing not more than 50% of the 2018 capital from current funding in advance of the 2018 operating budget approval; and

Declare that, in accordance with sis. 5(1)5 of the *Development Charges Act, 1997* and s. 5 of Ontario Regulation 82/98, it is Council's clear intention that the excess capacity provided by the above-referenced works will be paid for by future development charges.

Purpose:

An Engaging City

- Good Governance

This report provides the recommendations received at the November 9, 2017 Committee of the Whole – Budget meeting regarding the proposed 2018 capital budget and forecast.

Background and Discussion:

On November 9, 2017 the Committee of the Whole – Budget considered finance department report F-37-17; the overview of the 2018-2027 capital budget and forecast.

Committee members have also received the proposed 2018-2027 capital budget and forecast book which will be required for consideration at the meeting of December 1, 2017.

The recommendations will be considered at the December 1, 2018 Committee of the Whole – Budget meeting. Capital budget action request forms submitted to the finance department by members of Council will also be considered at the December 1, 2017 meeting.

Appendices A and B provide a consolidated summary of the proposed amendments and questions provided by members of Council to facilitate the 2018 proposed capital budget review at the December 1, 2017 meeting as well as the final approval of the capital budget at the December 11, 2017 Council meeting.

This consolidated listing will be used to ensure that the appropriate staff and information are available during the review and may be used as the format for the capital budget review.

Financial Matters:

The 2018 capital budget is \$68.6 million, with a ten year program of \$688.0 million. The city has capital assets with a replacement cost of approximately \$2.9 billion. The capital program focuses on the city's infrastructure requirements to address the much needed renewal of these assets in the most cost effective manner. The budget reflects incremental tax supported funding of 1.25% (\$1.9 million) from the operating budget to support infrastructure requirements of the city.

Public Engagement Matters:

Staff will continue to use the city's website as a communication medium through videos, webcast and online surveys.

The City is continuously looking for ways to improve and increase transparency for the public. A revised version of Burlington Open Budget, on the city's website, will be available to the public to allow residents to view the city's 2018 budget data in an intuitive and illustrative form.

The City hosted a Telephone Town Hall on the 2018 Proposed Budget on Wednesday, October 18, 2017 for residents, businesses and community partners. A report on the results of this community engagement is provided on this agenda.

Conclusion:

The proposed 2018-2027 capital budget and forecast presents a balanced program aimed to deliver on the Strategic Plan and the city's commitment to the asset management plan.

Respectfully submitted,

Jo-Anne Rudy

Committee Clerk

905-335-7600, ext. 7413

Appendices:

- A. 2018 Capital Budget Review forms
- B. Council Capital Budget Information Session follow-up

Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.