

CITY COUNCIL AGENDA



Council Chambers, Guelph City Hall, 1 Carden Street

DATE October 1, 2013 – 6:00 p.m.

Please turn off or place on non-audible all cell phones, PDAs, Blackberrys and pagers during the meeting.

Disclosure of Pecuniary Interest and General Nature Thereof

2014-2023 Tax Supported Capital Budget & Forecast

Presentation:

- Ann Pappert, CAO
- Al Horsman, Executive Director of Finance & Enterprise/CFO

Delegations:

Correspondence received at July 15, 2013 Corporate Administration, Finance & Enterprise Committee meeting and referred to the October 1st Capital Budget Meeting:

- Yvette Tendick
- Scott Doern

1. That the 2014-2023 Tax Supported Capital Budget and Forecast, in the amount of \$545,890,300, including \$79,740,600 for 2014, be received for information.
2. That the 2014-2023 Tax Supported Capital Budget be referred to the December 5, 2013 Council meeting for final deliberation and approval of the 2014 requirements.

ADJOURNMENT

Guelph's Financial Strategy 2014

Capital Investment Strategy

2014-2023 proposed Capital Budget and Forecast



Capital Investment Strategy

2014 – 2023 Tax Supported

Capital Budget & Forecast

Presentation



Outline

- Assumptions & Strategy
- Budget Highlights
- Challenges & Future Work
- Process & Next Steps
- Content of Council Package
- Discussion
- Appendices



Assumptions & Strategy

- 2014 Tax Contribution at 18% of prior year Net Tax Levy
- 10 year forecast fully funded
- Leverage use of non-tax funding sources: Federal Gas Tax, Capital Renewal Reserve
- Prioritize taking care of what we own, enhancing quality of life and reducing reliance on debt over the 10-year forecast



Budget Highlights

- 2014 Capital Budget = **\$79.7 million** (approval to be sought December 5th) [\(Appendix 1-Table\)](#) [\(Appendix 2 -Pie Chart\)](#)
- 2015–2023 Capital Forecast = **\$466.2 million**
[\(Appendix 3-Table\)](#) [\(Appendix 4 -Pie Chart\)](#)
- Total 2014–2023 Capital Budget & Forecast = **\$545.9 million**

Budget Highlights

- Taking care of what we own (millions)
 - Corporate Building - \$5.2 (2014-2016)
 - Vehicle and Equipment - \$8.2 (2014)
 - Victoria Rd Rec Centre - \$7.2 (2014-2016)
 - Transportation and Storm - \$5.5 (2014)
- Enhancing Quality of life (millions)
 - Major Road Expansions - \$28.7 (2014-2015)
 - Wellington Street Park - \$16.0 (2022)
 - Eastview Community Park - \$6.7 (2014-2019)
 - Active Transportation - \$3.2 (2014-2023)
 - Skateboard Facility - \$0.8 (2014-2015)
 - Wellington Dufferin Guelph PH - \$11.9 (2014)
- Reduced reliance on debt (millions) ([Appendix 5](#))
 - Peak in 2015 - \$129.2 (2015)
 - Forecasted low in 2023 - \$63.7 (2023)

Challenges & Future Work

- 2014 debt funding – high % due to two significant non-City projects
 - Public Health contribution - \$11.9 million in 2014
 - Guelph Police Headquarters - \$20.4 million additional request
 - \$13.6 approved in 2012, total \$34 million (\$31.6 million debt)
- Corporate Technology Strategy - \$0.4 million net reduction
 - Due to slower than expected launch reduced budget in 2014-2015 and spread over 5 years instead of 3

Challenges & Future Work

- Future projects not included in forecast
 - Baker Street Redevelopment
 - Exploring potential partnership opportunities and options for usage
 - Downtown Library
 - Determination of scope and size of facility, and impacts to Library network
 - South End Community Centre
 - Assessment to be completed and report to Council mid-2014
 - Fire/Emergency Services/Police Joint Training Facility
 - Initial discussions regarding potential for cooperation
 - Farmer's Market
 - Current renovations complete, evaluation of future needs begun
 - Water Road Transit Facility Expansion
 - To begin future needs assessment



Challenges & Future Work

- Continued development of Operating impacts from Capital expenditure
- Exploration of alternative funding sources – grants, partnerships, sale of assets, user fees, special taxes or levies
- New DC by-law scheduled for early 2014 based on Background Study currently being reviewed
- Corporate Asset Management Plan – Policy to be delivered to Council by end of 2013

Process & Next Steps

- 2014 Budget & 2015-2023 Forecast provided
 - Council has the opportunity to review and comment between now and December 5th
 - ERNIE will be available Oct 2nd
- 2014 Tax Supported Operating Budget Presentation – November 5th
- Public Delegation Night - November 28th
 - Delegations must register with the Clerks Department by November 13th to be included on the agenda or by 9am on the 22nd to be added to the addendum



Contents of Council Package

- Capital Investment Strategy: 2014-2023 Capital Budget & Forecast
- Appendix A: Debt Continuity Schedule 2014-2023
 - Forecasted issuance and repayment of debt over next 10 years
- Appendix B: 2014-2023 Detailed Project Listings
 - All projects in the 10-year budget & forecast including timing, cost and funding
- Appendix C: Capital Funding Sources
 - Report from July 2013 explaining the various sources of funding
- Appendix D: 2014-2023 Reserve Fund Continuity Schedule
 - Forecasted opening balance, transfers in and out and ending balance of City reserve funds
- Appendix E: Unfunded Development Charge Projects – Tax Supported
 - Differences between 10 year forecast and DC Background Study



Discussion

Appendix 1:

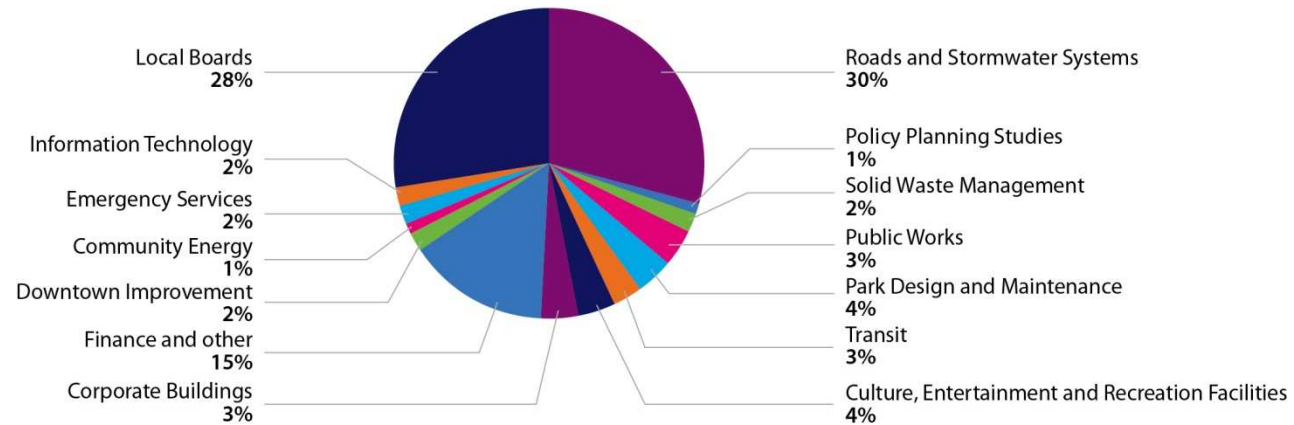
2014 Capital Budget by project category and funding source ('000s)

Project category	Project cost	Grants and subsidies	Federal Tax	Gas	Other	Development Charges (DCs)	DC Debt	Equipment replacement	City reserves	Debt
Roads and Stormwater Systems	\$23,975			\$6,310	\$2,865	\$4,800	\$6,500		\$3,500	
Policy Planning Studies	\$581					\$331			\$250	
Solid Waste Management	\$1,688			\$600	\$150			\$938		
Public Works	\$2,798							\$1,613	\$1,185	
Bylaw Compliance, Security and Licensing	—									
Park Design and Maintenance	\$3,423					\$2,383		\$476	\$564	
Transit	\$2,395	\$205				\$34		\$1,902	\$254	
Culture, Entertainment and Recreation Facilities	\$2,965				\$250				\$215	\$2,500
Corporate Buildings	\$2,829								\$2,829	
Economic Development	—									
Finance and Public Health	\$11,889									\$11,889
Downtown Improvements	\$1,400					\$645				\$755
Community Energy	\$986				\$296				\$690	
Emergency Services	\$1,282				\$456			\$826		
Information Technology	\$1,311				\$43			\$998	\$270	
Local Boards	\$22,222				\$8			\$1,517	\$289	\$20,408
Total 2014	\$79,744	\$205		\$6,910	\$4,068	\$8,193	\$6,500	\$8,270	\$10,046	\$35,552

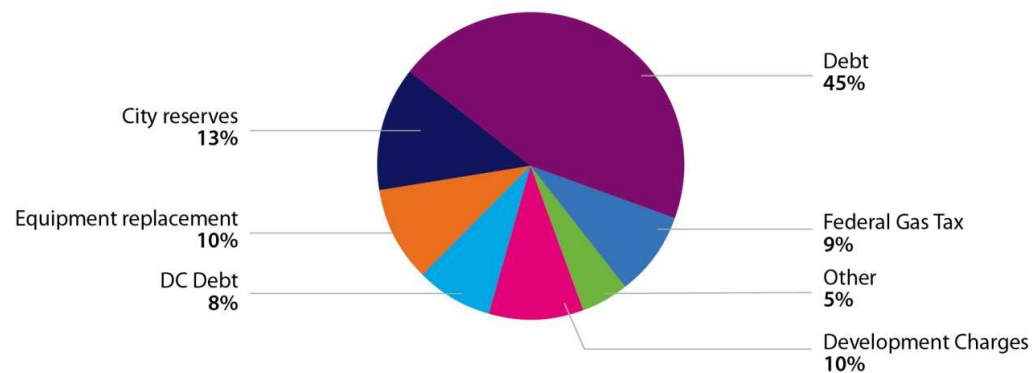
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Appendix 2:

2014 Capital Budget by project category
\$79.7 million



2014 Capital Budget by funding source
\$79.7 million



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Appendix 3:

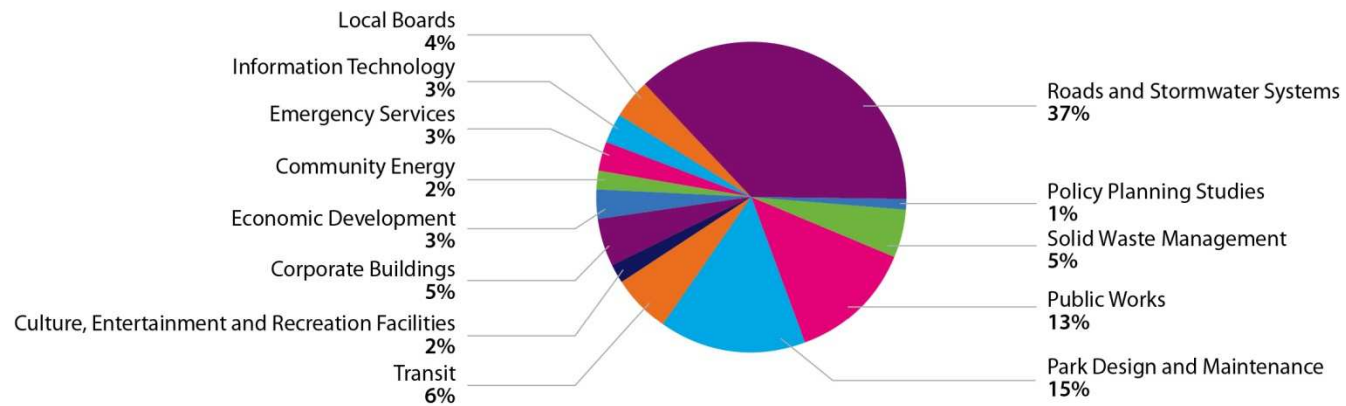
2015–2023 Capital Budget by project category and funding source ('000s)

Project Category	Project Cost	Grants and Subsidies	Federal Gas Tax	Other	Development Charges (DCs)	DC Debt	Equipment Replacement	City Reserves	Debt
Roads and Stormwater Systems	\$172,697		\$66,643	\$10,284	\$30,371			\$58,899	
Policy Planning Studies	\$3,774				\$1,850			\$1,924	
Solid Waste Management	\$25,070		\$600	\$550		\$6,500	\$12,815	\$11,105	
Public Works	\$59,228				\$2,334		\$38,591	\$18,303	
Bylaw Compliance, Security and Licensing	\$2,255							\$2,255	
Park Design and Maintenance	\$69,725			\$7,575	\$29,590		\$4,379	\$19,181	\$9,000
Transit	\$29,037				\$3,535		\$22,163	\$3,339	
Culture, Entertainment and Recreation Facilities	\$8,755							\$4,255	\$4,500
Corporate Buildings	\$22,730							\$22,730	
Economic Development	\$14,514			\$14,514					
Finance and other	\$140				\$113			\$27	
Downtown Improvements	—								
Community Energy	\$11,022			\$3,307				\$7,715	
Emergency Services	\$14,662			\$3,868	\$652		\$10,106	\$36	
Information Technology	\$15,547			\$468			\$13,359	\$1,720	
Local Boards	\$16,996			\$72	\$520		\$13,869	\$2,535	
Total 2015–2023	\$466,152		\$67,243	\$40,638	\$68,965	\$6,500	\$115,282	\$154,024	\$13,500

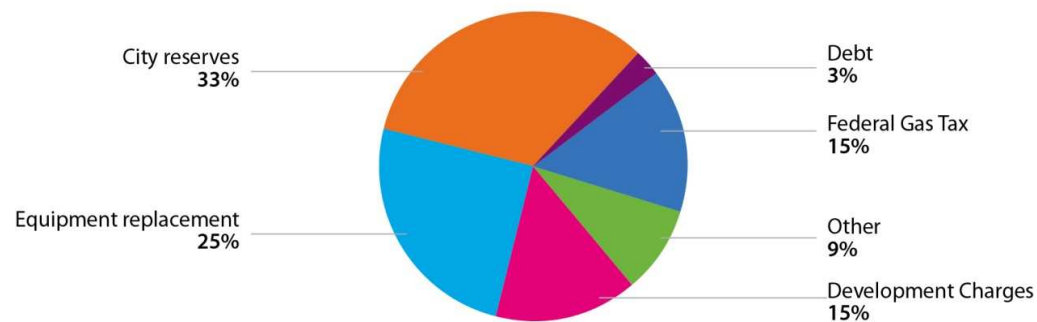
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Appendix 4:

2015–2023 Capital Budget by project category
\$466.2 million



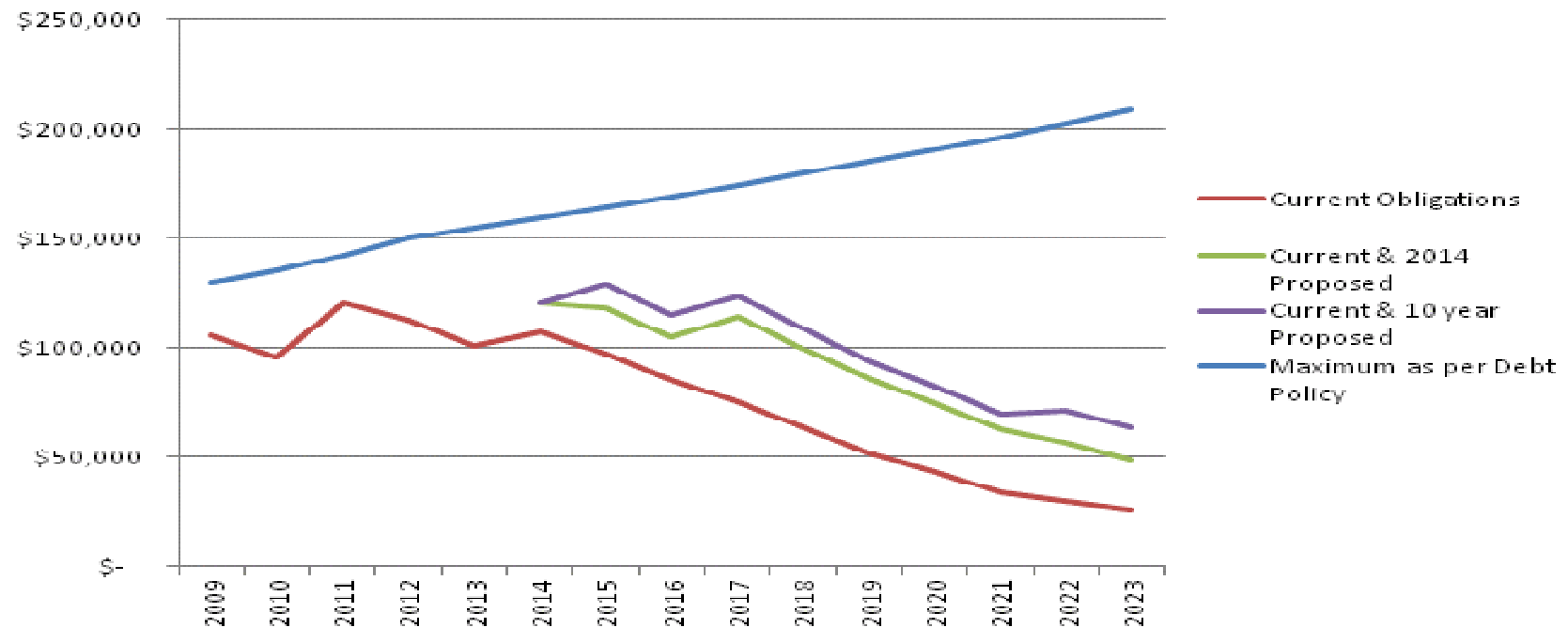
2015–2023 Capital Budget by funding source
\$466.2 million



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Appendix 5:

Outstanding Debt Balance Current and Proposed ('000s)



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COUNCIL REPORT



TO Guelph City Council

SERVICE AREA Finance and Enterprise Services

DATE October 1, 2013

SUBJECT 2014-2023 Tax Supported Capital Budget & Forecast

REPORT NUMBER FIN-13-42

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To introduce the 2014-2023 Tax Supported Capital Budget and Forecast

KEY FINDINGS

2014 Capital Budget \$79.7 million
2015-2023 Capital Forecast \$466.1 million

FINANCIAL IMPLICATIONS

The presented 2014 capital budget requires a transfer of \$20.9 million which is 18% of the 2013 Tax Levy as per the Council approved 20% funding guideline. In addition the 2014 capital budget is funded from grants and subsidies, federal gas tax, development charges, other external sources and debt.

ACTION REQUIRED

Refer the 2014-2023 Tax Supported Capital Budget and Forecast to the December 5, 2013 Council Meeting for final approval.

RECOMMENDATION

THAT the 2014 - 2023 Tax Supported Capital Budget and Forecast, in the amount of \$545,890,300, including \$79,740,600 for 2014, be received for information; and

THAT the 2014 - 2023 Tax Supported Capital Budget be referred to the December 5, 2013 Council meeting for final deliberation and approval of the 2014 requirements.

BACKGROUND

The proposed 2014-2023 Capital Budget and Forecast represents management's response to the challenge of balancing a wide and complex range of short-term and long-term needs within existing resources.

COUNCIL REPORT



The staff-recommended 2014 capital budget represents funding at 18 per cent of last year's net tax levy; two per cent lower than the Council-approved capital funding guideline of 20 per cent.

When planning capital investments the City looks for innovative ways to fund capital projects like grants, partnerships, and funding from other levels of government to reduce the burden on Guelph taxpayers.

This document reflects direction from Guelph City Council, continued input from community members, and the strategic focus areas of the City's Corporate Strategic Plan – organizational excellence, innovation in local government and city building.

REPORT

The 2014-2023 Tax Supported Capital Budget and Forecast was provided to Guelph City Council and the public on September 19, 2013. The budget was prepared in accordance with the Council approved Budget, Debt and General Reserve and Reserve Management Policies.

The 2014-2023 Capital Budget and Forecast focuses on

- **Taking care of what the City already owns**
These projects ensure that the City is able to continue providing the level of service that citizens have come to expect.
- **Enhancing the quality of life for the citizens of Guelph**
Respond to the City's growing community, ensuring that all citizens are included in the services the City provides.
- **Reducing the City's reliance on debt funding**
To ensure the City maintains solid financial footing a number of large projects were not scheduled into the 10 year forecast due to various factors including, limited scoping and needs assessments, unknown funding requirements or funding unavailable.

CORPORATE STRATEGIC PLAN

2.3 Ensure accountability, transparency and engagement.

3.1 Ensure a well designed, safe, inclusive, appealing and sustainable City.

DEPARTMENTAL CONSULTATION

All City departments and Local Boards were consulted through the budget process.

FINANCIAL IMPLICATIONS

The presented 2014 capital budget requires a transfer of \$20.9 million which is 18% of the 2013 Tax Levy as per the 20% guideline. In addition the 2014 capital

COUNCIL REPORT



budget is funded from grants and subsidies, federal gas tax, development charges, other external sources and debt.

COMMUNICATIONS

The 2014-2023 Capital Budget and Forecast was provided to Guelph City Council and the media on September 19, 2013. A version was also made available on the City of Guelph's website.

ATTACHMENTS

None

Report Author

Greg Clark
Sr. Corporate Analyst, Capital Planning

"original signed by Katrina Power"

Approved By

Katrina Power
GM Finance and Deputy Treasurer
519-822-1260 x2289
Katrina.power@guelph.ca

"original signed by Al Horsman"

Recommended By

Albert Horsman
Executive Director and CFO
519-822-1260 x5606
al.horsman@guelph.ca

Please include this letter as part of delegation for budget CAFE meeting on July 15.
Thank you.

My name is Yvette Tendick and I am president of Guelph Coalition for Active Transportation. Our mandate is to increase the quantity, quality and safety of Active Transportation in Guelph.

We recently received a letter from Ruth Sethi, Director of Community Health and Wellness, from the Wellington-Dufferin-Guelph Public Health, endorsing our effort to increase the level of active transportation in Guelph, and to support the need for good active transportation infrastructure in Guelph.
Attached is the letter written by Ms. Sethi.

Thank you very much for your time

Yvette Tendick
Guelph Coalition for Active Transportation



Public Health

Head Office:
474 Wellington Road 18
Suite 100
RR #1
Fergus, ON N1M 2W3
T: 519.846.2715
F: 519.846.0323
www.wdghu.org
info@wdghu.org

July 9, 2013

Dear Guelph Coalition for Active Transportation,

On behalf of Wellington-Dufferin-Guelph Public Health (WDGPH) I would like to commend you on your efforts to advance active transportation within the City of Guelph. WDGPH's mandate is to improve the health of communities and individuals through promotion, protection, and prevention. Specifically, we promote healthy lifestyle behaviours, which include active living and active transportation, for the reduction of chronic disease and illness. With your advocacy efforts for local trails and safe cycling, your work is contributing to our overall mandate.

Within Ontario, active transportation and the overall built environment is a priority for improving health (both physical and mental) and reducing health and social costs. In the 2004 Chief Medical Officer of Health's report *Healthy Weights, Healthy Lives*, it is recognized that current communities promote obesity because of the lack of opportunities to be physically active everyday. Thus, the built environment has been identified as a strategic goal of *Make No Little Plans – Ontario's Public Health Sector Strategic Plan* (2012). Within this strategic plan, it makes specific reference to characteristics that promote or discourage positive health. For example:

- "Policies that promote active transportation (e.g., walking, cycling, strollers, wheelchairs) and public transportation reduce car use and make communities more walkable, which can help achieve provincial health goals such as reducing diabetes and childhood obesity.
- Poor design of roadways, sidewalks and stairways can discourage walking while obstacles, such as potholes in sidewalks and roads and poor lighting, can increase falls and injuries.
- The built environment affects air quality, safety and social connectivity – all key to individual and community health."

Consequently, all sectors and levels of government must work together to address the issue of the built environment so that we can improve the overall quality of life for our residents. We thank you again for your hard work towards enhancing safe routes and trails within the City of Guelph.

Sincerely,

Rita Sethi, RN, BScN, MPA
Director of Community Health & Wellness
Wellington-Dufferin-Guelph Public Health
512 Woolwich Street, Suite 2
Guelph, ON N1H3X7
T: 519-846-2715 or 1-800-265-7293 ext.2100
Rita.sethi@wdgpublichealth.ca
www.wdgpublichealth.ca

Wellington-Dufferin-Guelph Public Health

Memo To: CAFÉ Meeting Committee
From: Scott Doern
Re: Funding for Active Transportation
Date: July 15, 2013

As a resident of the East side of Guelph and Chair of Ken Danby PS Parent Council, I have been in communication with Councilors Bob Bell, Jim Furfaro and Cam Guthrie regarding the needs of our community.

On Wednesday June 26th our community walked to school in large numbers to support the following needs:

1. Pedestrian Activated traffic light at the intersection of Watson & Flemming Road
2. Crossing guard for Watson & Grange
3. Sidewalks on Watson Parkway that will continue directly to the East side library.
4. Speed limit reduction to 50km for Watson Parkway from York Rd to Wellington Rd 24
5. Speed limits reduced to 40km in all school zones across Guelph.

Attached is a PDF of an article from the Guelph Tribune that highlights some of our efforts. Of particular note is the following paragraph:

"I'm here to support the efforts of the parents, because safety is a worthy cause," said Ward 1 councilor Jim Furfaro **as a large dump truck barreled through a red light behind him.**

Not knowing that the protocol had changed regarding community input at the CAFÉ Meetings, I am not able to speak directly to these issues. However, I am quite sure that the Councilors will be able to articulate the above needs to ensure that these items are put into the proposed budget.

Sincerely,
Scott Doern

Thursday, June, 27, 2013 - 10:10:14 AM

Tribune photo by Megan Christensen

Parents of Ken Danby Public School and Holy Trinity Catholic School students want to see safer street crossings for next September.

Walk to school highlights need for safer school crossings

By Megan Christensen Guelph Tribune Dozens of concerned parents and their children were out at the intersection of Watson Parkway and Grange Road on Wednesday morning to bring awareness of road safety and the needs of a growing community. "I'm here to support the efforts of the parents, because safety is a worthy cause," said

Ward 1 councillor Jim Furfaro as a large dump truck barrelled through a red light behind him. Furfaro explained to Scott Doern, the demonstration's organizer and the chair of Ken Danby school's parent council, that money needs to be set aside for a crossing guard. He encouraged Doern to attend a July 15 meeting where city staff will be gathering public input for the next budget. Doern and other parents want to see a longer crossing light and a crossing guard at the intersection for extra security. The light signal needs to be longer, said area resident and father Ed Veldman. "A crossing guard would be good, really good," he said. Another parent, Wendy Owens, said she would definitely feel much safer if a guard were at the light. "We get big trucks that don't slow down," she said. "I think some of them don't even remember that there is a light here." Upper Grand District School Board chair Mark Bailey attended the demonstration as an interested observer. "I'm supportive of Scott's initiative, and I think this corner does need a crossing guard," Bailey said. "We'll see what the city decides." Another intersection in need of attention is where Fleming Road crosses the four-lane parkway, Doern said. He said there is no light or crosswalk there now, but families still cross there. The next step is to attend the July 15 meeting to express the urgent need of the growing community, said Doern. "We just have to keep pushing the buttons," he said.

