

Agenda

2018 City of Kingston Operating and Capital Budgets

**Tuesday, November 28, Wednesday, November 29, 2017
6:00 pm**

Thursday, November 30, 2017

**(if required)
6:00 pm**

- 1. Roll Call**
- 2. Disclosure of Pecuniary Interest**
- 3. Confirmation of Minutes**

That the Minutes of Committee of the Whole Meeting Number 2016-01, held Monday, November 21, 2016 and Tuesday, November 22, 2016, be confirmed.
(Distributed to all Members of Council on Friday, November 24, 2017).

- 4. Delegations**
- 5. 2018 Budget Introduction**
Gerard Hunt, Chief Administrative Officer
- 6. Utilities Kingston Presentation**
Jim Keech, President and CEO, Utilities Kingston
- 7. Deliberations and Approval of Municipal Utilities Operating and Capital Budgets**

A. Approval of the 2018 Operating Budgets for the Municipal Utilities

The Report of the President and CEO of Utilities Kingston (Report Number 17-319) is attached to the Agenda as Schedule Pages 1 to 30 and was distributed with the Budget Packages, wherein the following is recommended:

- 1. That** Council approve the 2018 Municipal Utility Operating Budgets in the amounts noted below; and

WASTEWATER

Operating Budget	\$15,444,000
Debt Costs	\$4,582,000
Transfer to Facility Repair Fund – Debt 85 Lappan’s Lane	\$476,000

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Transfer to Capital Reserve Fund	\$10,167,000
Total Revenue	<u>\$30,669,000</u>

WATER

Operating Budget	\$14,030,000
Debt Costs	\$2,385,000
Transfer to Facility Repair Fund – Debt 85 Lappan’s Lane	\$476,000
Transfer to Capital Reserve Fund	<u>\$9,439,000</u>
Total Revenue	<u>\$26,330,000</u>

GAS

Operating Budget	\$4,756,000
Commodity Purchase, Transportation & Storage, and Cap and Trade Allowances	\$25,000,000
Transfer to Facility Repair Fund – Debt 85 Lappan’s Lane	\$173,000
Transfer to Gas Capital Reserve Fund	\$3,262,000
Transfer to City Municipal Capital Reserve Fund	<u>\$2,000,000</u>
Total Revenue	<u>\$35,191,000</u>

APPLIANCE RENTAL BUSINESS

Operating Budget	\$526,000
Transfer to Capital Reserve Fund	\$973,000
Transfer to Municipal Capital Reserve Fund	\$483,000
Transfer to City Environmental Reserve Fund	<u>\$681,000</u>
Total Revenue	<u>\$2,663,000</u>

2. **That** the City’s budget By-Laws include the municipal utility operating budget as approved.
3. **That** Council approve an addition to the 2018 Appliance Rental Capital Budget of \$1,050,000 to be funded by the Appliance Rental reserve fund.
4. **That** Council approve an addition to the 2018 wastewater capital budget of \$5,400,000, to be funded \$2,920,000 from the Wastewater reserve fund and \$2,480,000 from the Impost reserve fund.

B. Approval of Rate Changes for 2018 for Appliance Rental Business

The Report of the President and CEO of Utilities Kingston (Report Number 17-321) is attached to the Agenda as Schedule Pages 31 to 35 and was distributed with the Budget Packages, wherein the following is recommended:

That Council approve:

1. The proposed appliance rental rates adjustments as detailed in this report, effective January 1, 2018;and

2. By-Law Number 2017-XX being a By-Law to Amend By-Law No. 2012-22 “A By-Law to Impose Miscellaneous Charges and Appliance Rental Rates (Utilities Kingston)” to reflect the approved appliance rental rates 2018 (Exhibit A), be presented for all three readings.

C. Approval of Local Distribution Rate Changes for Natural Gas

The Report of the President and CEO of Utilities Kingston (Report Number 17-320) is attached to the Agenda as Schedule Pages 36 to 41 and was distributed with the Budget Packages, wherein the following is recommended:

That Council approve:

1. The proposed Gas Rate changes effective January 1, 2018 as detailed in this report; and
2. By-Law Number 2017-XX A By-Law to amend By-Law Number 2010-17 “A By-Law to Impose Gas Rates, as amended by By-Law Number 2013-18, and as amended by By-Law Number 2015-28, and as amended by By-Law Number 2017-21. (Exhibit A).

8. Municipal Operating and Capital Budget (Excluding Utilities) Overview

Desirée Kennedy, Chief Financial Officer and City Treasurer, will provide an overview of the 2018 operating and capital budgets.

9. Departmental Presentations (City)

- a) Transportation & Infrastructure Services - Jim Keech, President and CEO, Utilities Kingston
- b) Community Services – Lanie Hurdle, Commissioner

10. Communications

11. Recess

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1. Reconvening Roll Call

2. Disclosure of Pecuniary Interest

3. Delegations

4. Departmental Presentations (City) Continued

- a) Corporate & Emergency Services – Denis Leger, Commissioner
- b) Finance, Technology and Administration – Desirée Kennedy, Chief Financial Officer and City Treasurer

5. Transmittal of the Economic Development Organization 2017 Performance Review Working Group Report

The Report of the City Clerk (Report Number 17-322) is attached to the Agenda as Schedule Pages 42 to 63, wherein the following is recommended:

That the Economic Development Organization 2017 Performance Review Working Group Report dated November 21, 2017, be received; and

That the Economic Development Organization 2017 Performance Review Working Group members be thanked for their time and efforts while having served on Working Group; and

That the Economic Development Organization 2017 Performance Review Working Group, having fulfilled its mandate, be and is hereby disbanded.

6. Presentations by the External Agencies

- 1. Kingston Economic Development Corporation (KEDCO)
 - Donna Gillespie, Chief Executive Officer
- 2. Tourism Kingston
 - Rob Kawamoto, Executive Director
- 3. Cataraqui Region Conservation Authority (CRCA)
 - Geoff Rae, General Manager
- 4. Kingston, Frontenac, Lennox & Addington Public Health (KFL&A)
 - Alida Moffatt, Manager, Finance
 - Hazel Gilchrist, Director, Corporate Services
- 5. Kingston Access Services
 - Trevor Fray, Executive Director

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- Eleanor Hands, President of the Board
6. Kingston Frontenac Public Library
 - Patricia Enright, Chief Librarian and CEO
 - Christina Ridgley, Budget/HR Analyst
 - Claudette Richardson, Board Chair
 7. Kingston Police Services Board
 - Gilles Larochelle, Chief of Police
 - Andrea Risk, Board Chair
 8. Downtown Kingston! BIA
 - Doug Ritchie, Managing Director
 - Nick Waterfield, Board Member
 - Ed Smith, Board Member
 9. County of Frontenac
 - Kelly Pender, Chief Administrative Officer

6. Deliberations and Approval of Municipal Operating and Capital Budgets

The Report of the Chief Financial Officer and City Treasurer (Report Number 17-300) is attached to the Agenda as Schedule Pages 64 to 103 and was distributed with the Budget Packages, wherein the following is recommended:

That Council approve the 2018 General Municipal (tax-supported) Operating Budget in the amount of \$378,197,504; and

That any variance between final assessment growth and the growth estimates included in the 2018 general municipal operating budget be transferred to/funded from the Working Fund Reserve, to offset unanticipated variances in assessment growth in future years as a stabilization measure; and

That Council approve the 2018 Municipal Capital Budget, as follows:

Proposed capital expenditures	<u>\$58,354,576</u>
Financing:	
General Municipal Reserve Funds (PAYG)	\$42,631,871
Issuance of long term debt	7,000,000
Government grants	4,498,705
Contributions from others	<u>4,224,000</u>
Total financing	<u>\$58,354,576</u>

and

That Council receive the following provided as part of the budget documentation:

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- a) 15 year capital expenditure forecast;
- b) Capital Works in Progress listing as at September 30, 2017;
- c) Municipal Reserve Fund Schedules of Continuity; and

That the City Treasurer be authorized to report the approved budget estimates for 2018 in accordance with Public Sector Accounting Board (PSAB) reporting requirements as an attachment to the by-law; and

That the necessary by-laws be established to formally adopt these estimates; and be given all three readings at the December 19, 2017 meeting of Council.

7. Communication

- 1. Kingston Economic Development Corporation – Operating & Sales Plan 2018 attached as Pages 104-131.

8. Recess/Adjournment

November 30, 2017 (if required)

- 1. Reconvening Roll Call**
- 2. Disclosure of Pecuniary Interest**
- 3. Delegations**
- 4. Deliberations**
- 5. Communications**
- 6. Recess/Adjournment**