



2020-2021 Draft Capital Budgets General Fund/Utility Fund

Finance Committee

July 18, 2019



2020-2021 Draft Capital Budget – General Fund

2020-2021 Capital Budget Inputs

- Asset Management Plan
 - State of Infrastructure Report
- Plan SJ/Play SJ/Move SJ
- Central Peninsula Neighborhood Plan
- Capital Budget Policy
- Climate Change
- Council Priorities
 - Growth & Prosperity
 - Vibrant and Safe City
 - Valued Service Delivery
 - Fiscally Responsible



2020-2021 Draft Capital Budget – General Fund

- 10 year Draft Long Term Capital Plan plan is underway and to be completed end of Q3, 2019
- Service areas have completed 2020-2029 submissions
- 2020 & 2021 Capital Budget based on draft Long Term Capital Plan
- Long Term Capital Plan Inputs
 - Asset Management Plan
 - Long Term Financial Plan
 - Debt Management Policy
 - Capital Budget Policy
 - Operating Budget Policy



2020-2021 Draft Capital Budget – General Fund

- 2020–2021 Capital Budget includes following financial principal adopted by the Finance Committee;
 - Target 25% Reduction infrastructure deficit over 10 years
 - Increase pay as you go annually
 - Reduce General Fund Debt by 25% per year of next 10 years
 - Increase contribution to Capital by 10% per year.
- City is also working on securing additional infrastructure funding to be finalized before next Finance Committee



Pay as you go



2020-2021 Draft General Capital Budget - Overview

- Proposed 2020-2021 Draft General Fund Capital Budget -\$50,621,551 (increase of \$8,625,151)
- City Share - \$21,490,150 (2 years) – (\$10.99M-2020, \$10.49M-2021 – *focus on reduced borrowing*)
- Other Share - \$29,131,401 (2 years)
 - Gas Tax Funding (Includes additional funding recently announced)
 - Disaster Mitigation Funding
 - Reserves – Fleet, Information Technology, Capital
 - Bi-lateral funding (Federal and Provincial)
 - Pay as you go – (\$1,980,151 in 2020 & \$3,230,151 in 2021)
 - Additional Federal funding to be confirmed - \$3,112,000 over 2 years
 - Deep Municipal Energy Retrofit
- 5 • District Energy Phase 1 – Market Square

2020-2021 Draft General Capital Budget - Overview

Summary of Changes from Previous Draft Capital Budget

2020 Proposed General Fund Capital Budget	
Summary of Changes	
Market Place Playground	-\$100,000.00
Air Handling Units - Phase 1 - Municipal Operations Building	\$75,000.00
Fundy Quay - Seawall Refurbishment	-\$1,362,500.00
Canada Games Aquatic Centre (Windows/Exterior)	-\$350,000.00
Deep Municipal Energy Retrofit	\$1,101,667.00
District Energy Phase 1 - Market Square	\$2,440,000.00
Asphalt Renewal	\$1,175,000.00
2020 - Total Summary of Changes	\$2,979,167.00
2021 Proposed General Fund Capital Budget	
Summary of Changes	
Air Handling Units - Phase 1 - Municipal Operations Building	\$75,000.00
Carleton Community Centre -Foundation	-\$25,000.00
Fundy Quay - Seawall Refurbishment	\$1,362,500.00
Canada Games Aquatic Centre (Windows/Exterior)	-\$300,000.00
Deep Municipal Energy Retrofit	\$1,048,333.00
District Energy Phase 1 - Market Square	\$2,440,000.00
Asphalt Renewal	\$1,045,151.00
2021 - Total Summary of Changes	\$5,645,984.00

2020-2021 Draft General Capital Budget - Overview

Alternative General Fund Capital Budget - Exhibit 2.

- Staff has prepared an alternative version due to the uncertainty around the 2020 and 2021 General Fund Operating Budget.
- Alternative 2020-2021 Draft General Fund Capital Budget \$48,121,551 vs. \$50,621,551 (decrease - \$2,500,000)
- Summary of Differences
 - Pay as you go is reduced by \$500K in 2020, \$1.0M in 2021
 - Resulting in Fundy Quay will be done over 3 years (\$2,500,000 – City Share \$1,500,000, Federal Share \$1,000,000)

	2020	2021
Pay As You Go	1,980,151	3,230,151
Pay As You Go	1,480,151	2,230,151
Difference	500,000	1,000,000
2019 Pay as you go	730,151	

Saint John Water – 2020-2021 Capital Budgets



Saint John Water Capital Highlights - 2020-2021

- Proposed - 2020-2021 Capital budget \$26,215,000 (***No Changes***)
- Funding for Capital budget – Capital from Operating (pay as you go) - \$10,283,450 over (2 years)
- Heavy reliance on funding from other sources - \$15,931,500 (2 years)
 - Disaster Mitigation Funding
 - Gas Tax Funding (71% of all GTF funding is being directed to the Utility)
 - Bi-lateral funding opportunities support: infra. renewal, Neighborhood Plan, dev. & sewer separation
- **No new borrowing for 2020-2021 Capital program**



Conclusion

Recommendation

- Finance Committee recommend that the 2020 and 2021 Proposed Draft Utility Fund Capital Budget be presented to Common Council with a recommendation to receive and file.
- Finance Committee recommend that the 2020 and 2021 Proposed Draft General Fund Capital Budget be presented to Common Council with a recommendation to receive and file.

Conclusion

Questions?

