



City of Kingston



2003 Budget Book

Prepared by the Finance Division

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**front cover photo by Paul Evoy*



Glossary of Terms

Assets

Historical cost of defined resources of the City such as land, buildings, vehicles, cash etc. Under provincial accounting regulations, a municipality writes off the cost of assets in the year of acquisition.

Annual Operating Budget

The financial operating plan for the City that establishes annual revenue and expense estimations. The *Municipal Act* requires that a municipality pass an operating budget on an annual basis.

Annual Capital Budget

A yearly program with expenditure estimates adopted by Council. Covers longer term and one-time expenditures for fixed assets that are in excess of ten thousand dollars.

Capital Financing

The source of revenue to fund the capital expenditure plan.

10 Year Capital Plan

A multi-year capital expenditure and financing plan setting out the long term financial requirements of the City. This program enables Council to determine long-term expenditure priorities. The capital program should be linked to multi-year service plans.

Capital Project

A capital project or item is an expenditure of funds that provides a value of service/equipment in excess of one year and should exceed a cost of \$10,000. This excludes the ongoing general maintenance of assets, and in the case of refurbishing, it should increase the life of an asset by a minimum of five years.

Debt

Value of all outstanding debentures or other debt financing issued by the City. Current debt refers to the annual debt repayment to be made in the current year.

Debentures

A long-term loan (debt) usually repayable on fixed dates, with a fixed rate of interest. Debentures are generally secured by municipal assets.

Debt Charges

The principal and interest payments necessary to retire outstanding debt arising from capital expenditures.

Fiscal Year

The period for which budgets are prepared and financial records are maintained. The fiscal year for a municipality is the calendar year (January 1 to December 31).

Grant

A financial contribution to support a particular function, service or program.

Gross Expenditure

Includes all expenditures incurred to provide a function, service or program.

Health & Safety Priority

A capital project is categorized as health and safety priority if there is an urgent requirement for repairs due to demonstrated concerns of a health and safety hazard.

Net Expenditures

Expenditure amounts remaining to be funded by the taxpayer after specific deductions have been made for revenues related to a function, service or program.

Operating Budget

Expenditure estimates of Departments and Agencies for short term expenditures up to one year in duration for a City function, service or program.

Other Revenue

Represents all revenues other than property taxation, provincial and federal grants, interdepartmental recoveries and prior year's surplus. Made up of user fees, fines, interest earnings, and revenues from any other source.

Program

Activities of a Department, Division, Agency, Board or Commission, which constitutes a service delivery unit and may encompass one or more related municipal services (e.g., the Solid Waste Management Program includes a number of services and is a division of the Operations Department) and displays the following: is aimed at one or more target groups (e.g., households); has program goals defined in social terms with outcomes of public good (e.g., public health); and is either mission-driven (e.g., recreation), or mandate-driven (e.g., law-enforcement).

Reserve/Reserve Fund

Reserves and reserve funds have designated purposes and are created through the specific authorizations of council. All earnings from the investment of reserve funds must form part of the reserve fund, whereas the earnings from reserves flow to the operating budget. The assets of reserve funds are segregated and restricted to the purpose of the reserve funds and generally may be combined for investment purposes.

Revenue

Sources of income received by the City for the fiscal year.

Service

A series of activities that deliver a public good, respond to the needs of the public, or fulfill the requirements of other stakeholders. Service level refers to the level of services approved for delivery of the program.

Surplus

An excess of revenues over expenditures.

Tax Rate

A rate used to determine the amount of property tax revenue. Taxes on individual properties are calculated by multiplying a property's current value assessment (CVA) by the applicable tax rate.

User Fees

Fees charged by the City for the use of its services (examples: bus fare, ice rental fees and fees for various City permits).



Message from the CAO



The 2003 operating and capital budgets for the City of Kingston have been prepared in accordance with the strategic direction of the City considering the Community Strategic Plan and the direction of City Council. The City continues to be challenged yearly to balance our budgets and we will need, in the future, to find long term sustainable solutions to achieve a balanced budget.

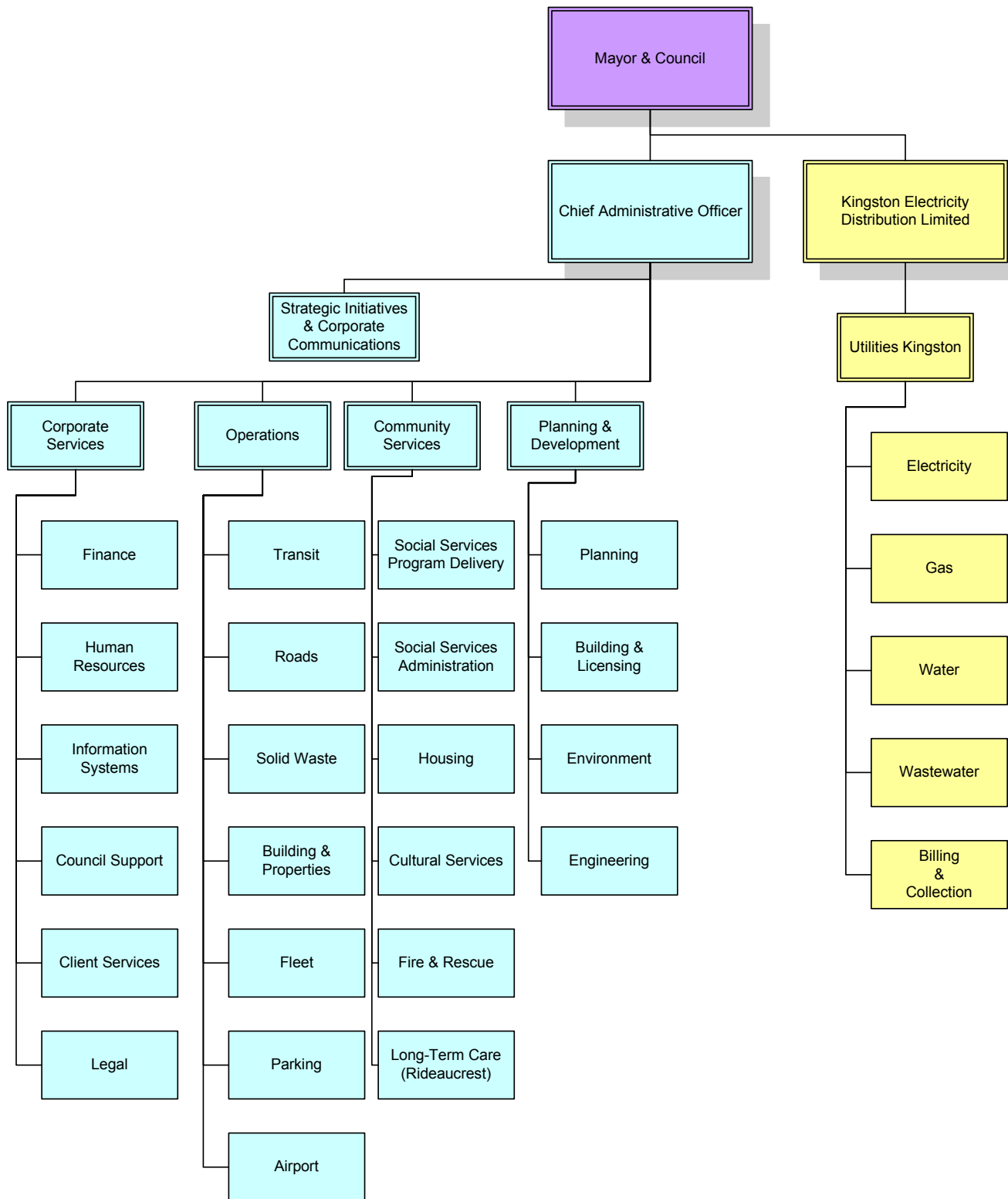
Looking to 2003 and beyond, Council and staff are committed to finding ways to deliver services in the most cost effective manner. Long term financial plans to address the backlog of capital works will continue to be a focus, as we look for ways to match expenditure requirements with funding sources, taking into consideration ratepayers' ability to pay. The City of Kingston echoes the collective voice of municipalities that has addressed both provincial and federal governments on the need for sustainable capital financing.

Over the past 5 years the City has been diligent in its fiscal approach. Between 1998 and 2003, the consumer price index rose approximately 12 percent. The City managed to curtail overall tax bill increases to less than 10 percent, while dealing with significant realities of the downloading of a number of services previously delivered by the Province of Ontario. During that same time frame, financial policies on the establishment and use of capital reserve funds were introduced, including an annual contribution of a minimum of 1 percent per annum of tax increase as a direct contribution for capital purposes.

The contents of this budget document reflect the decisions of City Council and the financial plan for the 2003 fiscal year.

Bert Meunier
Chief Administrative Officer

City of Kingston Organizational Chart



Budget Overview

The Finance Division of the Department of Corporate Services is pleased to provide the 2003 Budget estimates for the City of Kingston.

This budget document includes operating and capital information for consolidated municipal services. Operating and capital budget overviews are provided in the following pages.

Utilities Kingston is a subsidiary corporation of the Kingston Electricity Distribution Limited and is responsible for managing the Municipal Utilities of gas, water and sewer services. These budget documents include information on these services as prepared by Utilities Kingston and approved by City Council.

Additional information about the City of Kingston can be obtained at our website address www.city.kingston.on.ca.

Gerard T. Hunt, CMA
Manager of Finance



Reserve Funds

Reserves and Reserve Funds have been set aside as a result of the establishment of by-laws and through the annual budget process for purposes of accumulating funds to be used for specific purposes in accordance with the financing plans for the City. Balances in Reserve and Reserve Funds as at the end of the fiscal year 2002 and as reported to the Province of Ontario as part of the annual financial information return (FIR) is as follows:

2002-01 FIR2002: Kingston C		Schedule 60		
Asmt Code: 1011		CONTINUITY OF RESERVES AND RESERVE FUNDS		
MAH Code: 46102		for the year ended December 31, 2002		
		Obligatory Res. Funds Deferred Rev.	Discretionary Res. Funds	Reserves
		1	2	3
		\$	\$	\$
5010	Working funds			15,386,155
5050	Replacement of equipment		5,464,599	
5060	Sick leave		3,750,465	
5270	Recreation facilities		59,773	
5415	Roadways			894,071
5420	Transit		2,181,911	
	Environmental services:			
5425	Sanitary sewer system		5,508,241	
5435	Waterworks system		13,742,849	
5460	Social housing		888,053	
	Recreation and cultural services:			
5465	Parks		14,423	
5470	Recreation facilities		2,018,566	
5475	Libraries		157,630	
5480	Planning and development		1,407,444	
5490	Other and unspecified		18,630,254	31,016
	Obligatory reserve funds / Deferred revenue:			
	Development Charges Act			
5610	Non-discounted services	8,741,449		
5620	Discounted services			
5630	Lot levies	15,675,761		
5640	Subdivider contributions			
5650	Recreational land (the Planning Act)	521,260		
5660	Parking revenues	438,077		
9930	TOTAL	25,376,547	53,824,208	16,311,242



Municipal Debt Limit Calculation

Below is a copy of the Annual Repayment Limit Report (ARL), as provided by the MMAH on July 31, 2002. The determination of the Annual Repayment Limit for the City of Kingston is for January 1, 2002, and is based on the 2000 Financial Information Return as prepared by the municipality. The Annual Repayment Limit is then adjusted by the Municipal Treasurer to reflect financial commitments and/or discharges that occurred in 2001 and which ultimately impact on the January 1, 2002 adjusted Annual Debt Repayment Limit.

It should be noted that the Municipal Treasurer's adjustments utilize an assumption that debenture issues will be at an effective rate of 6.50% for a period of 10 years.

- The stated rate of interest and term is utilized for illustration purposes only. The actual rate of interest will fluctuate depending on the markets, whereas the length of the debenture will be based on life expectancy of the asset.
- The Municipality will be issuing debentures in the summer/fall 2002, and based on the decreases in rates over the past several months, it is anticipated that this rate will decrease.

The calculation for the City of Kingston's 2002 Adjusted Annual Debt Repayment Limit is as follows:

A) Provided by the Ministry of Affairs and Housing

2000 Net Revenue Fund Revenues	<u>\$157,040,934</u>
25% of Net Revenue Fund Revenues	\$ 39,260,234
Less 2000 Net Debt Charges	<u>(9,531,932)</u>
Unadjusted Annual Repayment Limit	\$ 29,728,302

B) Municipal Treasurer's Adjustments

1. Approved in 2001 and Prior Years, but not yet financed as of January 1, 2002	
• \$19.19M Debt Issue @ 6.50% for 10 Years	\$ (2,670,000)
2. Annual Debt Payments Maturing in 2001	145,571
3. Annual Debt Payments resulting from 2000 Debenture Issue of \$11.4 M	(1,876,211)
4. Annual Debt Payments resulting from 2001 Debenture Issue of \$5.0M	<u>(664,891)</u>
Total Municipal Treasurer's Adjustments	\$ (5,065,531)

ADJUSTED ANNUAL REPAYMENT LIMIT

January 1, 2002 **\$ 24,662,771**

It should be noted that the Adjusted Annual Repayment Limit equates to the following new borrowings based on the above-noted assumptions:

Annual Debt Charges	Interest Rate	Term	Debenture Amount
\$24,662,771	6.50 %	15 Years	\$231M
\$24,662,771	6.50 %	10 Years	\$177M

The above reflects the maximum amount of new debentures that may be issued according to Provincial guidelines, but it does not reflect the Municipality's ability or capacity to assume an additional \$24.7M of additional annual debt charges.



OPERATING BUDGET DETAILS



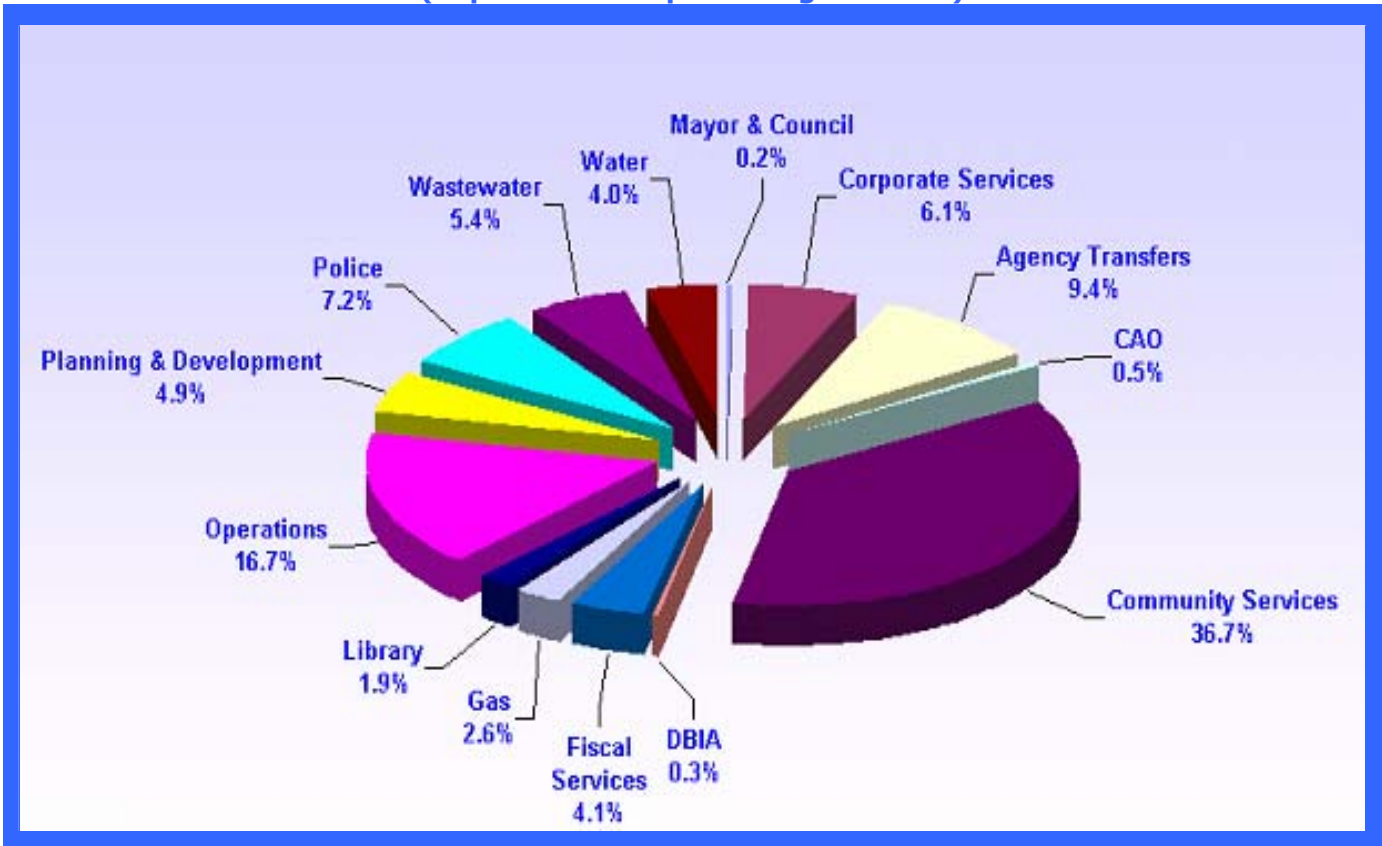
Municipal Operations by Department Division

	Gross Expenditures	Gross Revenue	Net Expenditures
Mayor & Council	619,222	18,325	600,897
CAO	1,346,115	344,150	1,001,965
Commissioner's Office	282,622	15,000	267,622
Finance	3,407,953	803,550	2,604,403
Human Resources	2,375,945	297,502	2,078,443
Information Systems	4,852,756	1,867,312	2,985,444
Council Support	1,959,504	662,040	1,297,464
Client Services	1,575,924	783,935	791,989
Legal Services	1,253,461	1,167,236	86,225
Department of Corporate Services	15,708,165	5,596,575	10,111,590
Commissioner's Office	764,428	0	764,428
Airport	898,537	859,535	39,002
Properties	2,693,721	1,159,854	1,533,867
Fleet	8,403,995	8,403,995	0
Parking	4,364,012	4,364,012	0
Transit	8,355,226	4,811,200	3,544,026
Solid Waste	9,093,125	1,658,252	7,434,873
Roads	8,761,810	456,345	8,305,465
Department of Operations Services	43,334,855	21,713,193	21,621,662
Commissioner's Office	1,017,632	83,821	933,811
Social Services Admin	5,861,931	2,713,571	3,148,360
Social Housing	13,479,206	6,270,792	7,208,414
Parks & Arenas	7,881,130	2,734,525	5,146,605
Culture & Recreation	5,221,092	3,463,660	1,757,432
Long-Term Care (Rideaucrest)	13,110,693	7,616,187	5,494,506
Social Services Program Delivery	35,685,292	28,494,731	7,190,561
Fire	12,976,747	391,769	12,584,978
Department of Community Services	95,233,722	51,769,056	43,464,666
Commissioner's Office	420,804	0	420,804
Planning	1,353,946	335,199	1,018,747
Building Permits & By-Law	2,390,970	2,970,702	-579,732
Engineering	6,843,561	737,936	6,105,625
Environment	1,643,950	628,572	1,015,378
Department of Planning & Development Services	12,653,231	4,672,409	7,980,822
Agency Transfers	24,517,806	3,425,596	21,092,210
Fiscal Services	10,692,998	15,921,020	-5,228,022
Police	18,595,988	1,685,993	16,909,995
Library	4,812,760	1,015,585	3,797,175
Property Tax Supported Services	227,514,862	106,161,902	121,352,960
Water – Managed by Utilities Kingston	10,737,925	10,737,925	0
Wastewater – Managed by Utilities Kingston	14,276,329	14,276,329	0
Gas – Managed by Utilities Kingston	26,666,360	26,666,360	0
Total Gross Expenditures	279,195,476		
Total Gross Revenue		157,842,516	
Total Amounts to be raised from Taxation			121,352,960



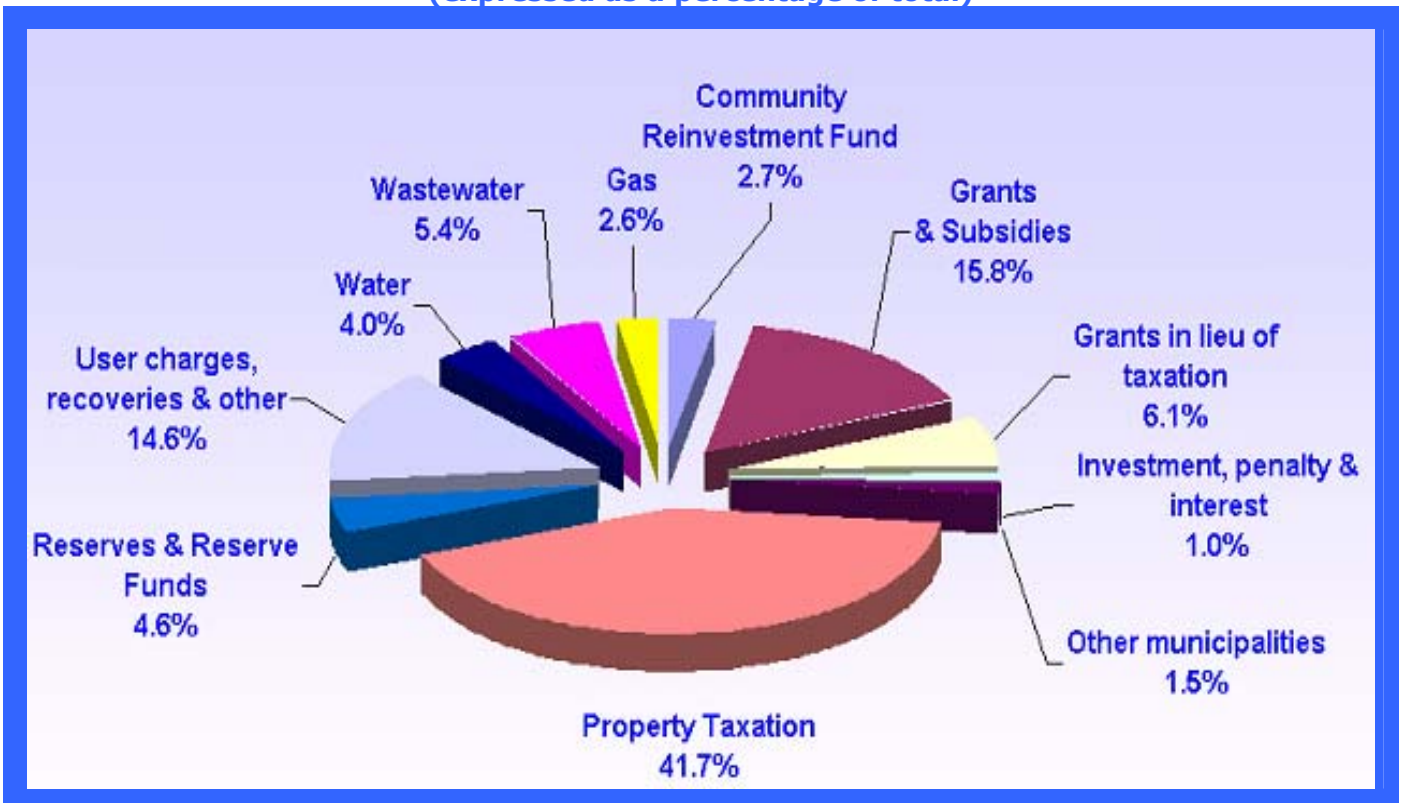
Gross Expenditures – Operating Budget

(expressed as a percentage of total)



Gross Revenues – Operating Budget

(expressed as a percentage of total)

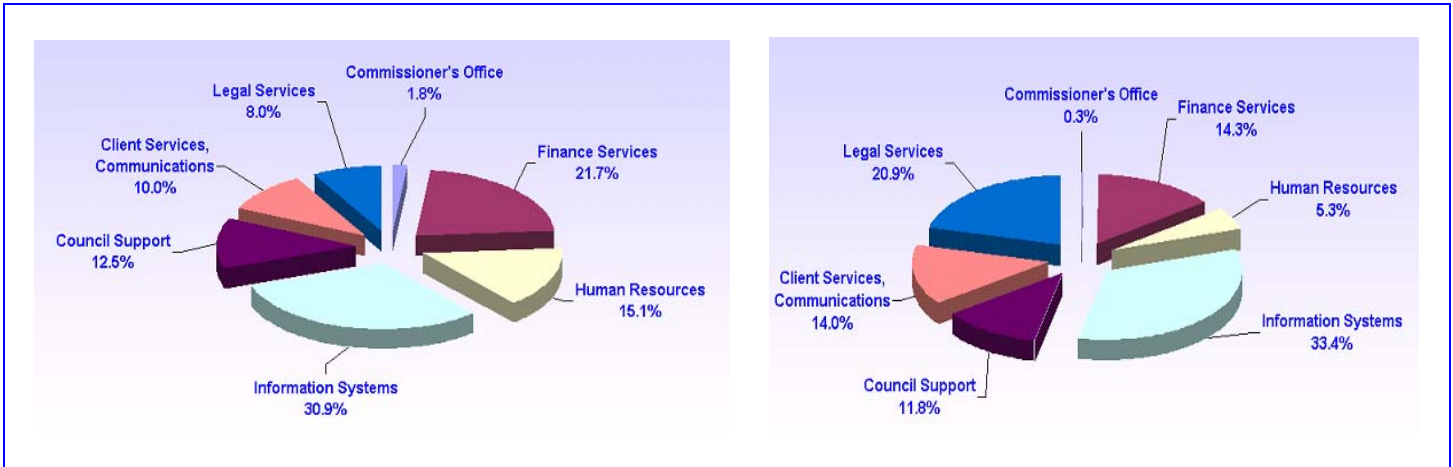


Corporate Services Budget Highlights

The Corporate Services Department manages and provides the primary administrative support services for the City of Kingston. These services include: Client Services and Communications, Council Support, Legal Services, Finance Services, Human Resources, and Information Systems. In addition to providing these services to City departments, a service contract exists to provide administrative support services to Utilities Kingston. The cost recovery is reflected in the revenues of each division.

Departmental Gross Expenditures

Departmental Revenues



The 2003 Corporate Services budget includes the following highlights:

Client Services and Communications

Client Services offers the ratepayers and customers of the City of Kingston the first line of response for service and account enquiries. Changes to regulations affecting electricity commodity and distribution billings are expected to demand a higher response than normal in 2003. The introduction of electronic service delivery (ESD) is a major initiative for the upcoming year.

Council Support

Council Support includes the Office of the City Clerk, administration services to council and records management services for the Corporation. The 2003 municipal election is a major project for this division in 2003.

Legal Services

Legal Services provides legal support for the Corporation and administers the provincial offences office for the Kingston areas. The Division expects to be busy with a multitude of issues including OMB hearings, interpretation of changing regulations, environmental issues, the non-smoking by-law and enhanced strategy of collection for long outstanding provincial offences fines.

Finance

Finance offers financial planning, accounting and reporting, property taxation and revenue and purchasing services for the Corporation. In 2003 the Finance Division will continue to introduce financial strategies and policies intended to meet long term capital and operational requirements.

Human Resources

Human Resources offers recruitment, training, workplace health and safety, employee wellness compensation and benefit management services. 2003 is expected to be a very busy year with pay equity, internal equity and contract negotiations for a number of employee groups.

Information Systems

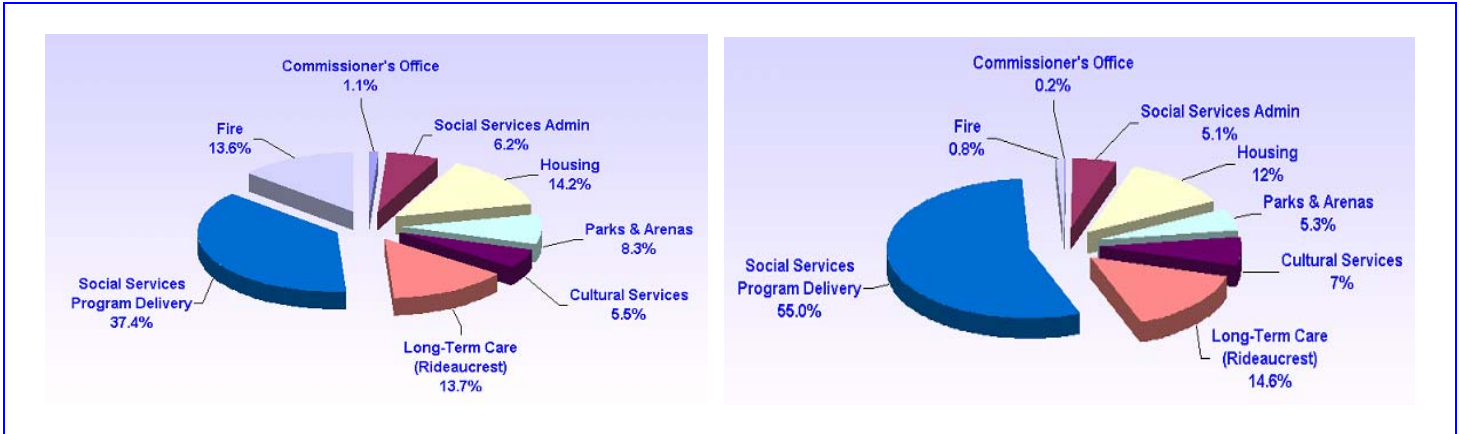
The Information Systems Division provides technology and systems support to all departments and divisions in the Corporation. A number of new systems are scheduled to be installed in 2003 as departments move to automate various aspects of their business. Systems integration opportunities will be reviewed where possible. Corporate Graphic Information Solutions (GIS) will be a priority as well as the completion of the upgrade for the PeopleSoft HRMS and Financial systems.

Community Services Budget Highlights

The Community Services Department manages an array of community related services including, Fire & Rescue, Housing, Social Services, Cultural Services and Long Term Care.

Departmental Gross Expenditures

Departmental Revenues



The 2003 Community Services budget includes the following highlights:

Fire & Rescue

The Fire & Rescue Division will complete a reorganization of fire services in 2003 with a focus on moving toward accepted industry standards in performance. Public education will be enhanced and administrative function will be consolidated.

Housing

For 2003 the Housing Division will continue the development of an affordable housing strategy and initiate a new affordable housing project. Provincial benchmarking of operations costs will be implemented for housing providers.

Social Services

2003 plans include:

- ◆ Implement provincial "Integrated Network Project"
- ◆ Diversify program delivery at Oakwood
- ◆ Review Homemaking programs
- ◆ Change in OW caseload
- ◆ Office Accommodation Pressures
- ◆ Continued Local Childcare Service planning (last year of first 3 year plan)
- ◆ Ontario Early Years support

Cultural Services

The former Divisions of Culture and Recreation and Parks and Arenas have now been consolidated into one division. The transition process will continue throughout 2003. Budget information is presented under the structure in parts of this publication. Major initiatives of this division for 2003 include a new ice pad at the Centre 70 Arena.

Long Term Care

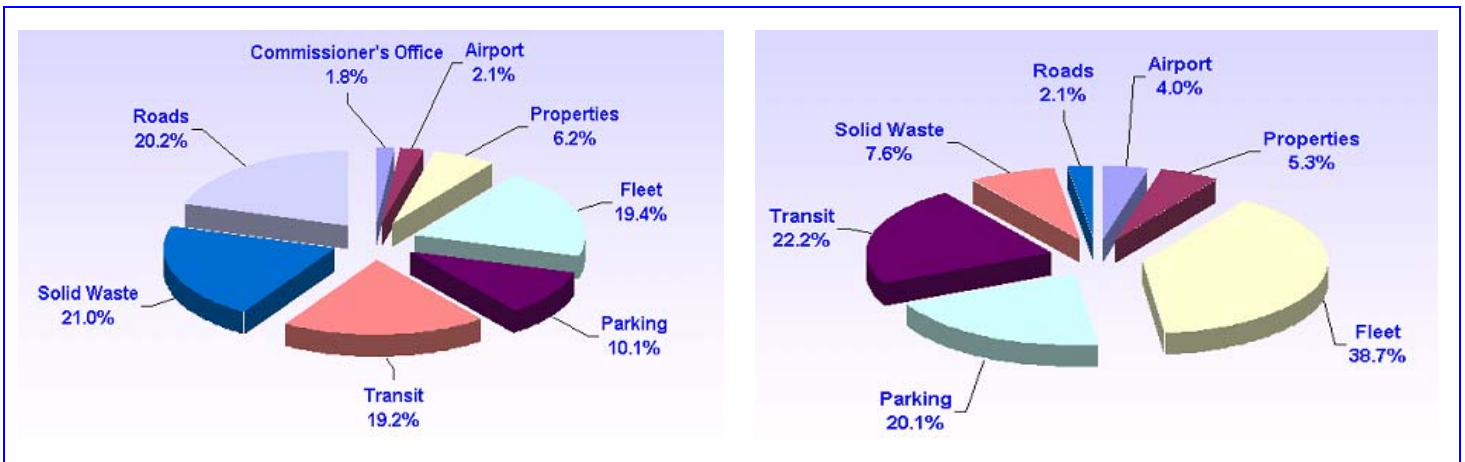
Rideaucrest Home operations for 2003 will see the continual implementation of the Resident Sensory Therapy Program, Occupational Therapy Program and the Mobile Dental Unit Program. Rideaucrest continues to deal with the pressures to admit residents who require more complex care.

Operations Services Budget Highlights

Operations Services manages the following group of services: Solid Waste (Garbage and recycling), Road and Street maintenance, Transit, Municipal Airport operations, Municipal properties, Corporate Fleet maintenance and Municipal Parking facilities.

Departmental Gross Expenditures

Departmental Revenues



The 2003 Operations Services budget includes the following highlights:

Solid Waste

The policy change recommended by the Solid Waste Task Force and approved by council with the objective of increasing waste diversion, will take effect May 1, 2003, reducing the number of garbage bags for pick up to 2 for residential and 12 for commercial and industrial establishments. Bag tags are available for extra bags.

Roads

Roads maintenance including road allowances and sidewalks continue to be enhanced. Higher levels of precipitation in the 2003 winter season required increased winter control expenditures. The multi-purpose facility including the roads garage and police headquarters will continue to take priority. Plans are progressing to initiate the Market Square project in 2003.

Airport

The 2003 operations at Kingston Norman Rogers Airport will continue to focus on air transportation, security and necessary upgrades to the airport runways. Sewer line installation will enhance the airport property for potential commercial development.

Properties

The Properties Division will continue to standardize leases. A review of accommodations for City administration will be completed. The acquisition of land and initial work for the construction of maintenance facility and police station will be a priority.

Fleet

The Fleet Division will work to establish fleet replacement standards and work to maximize the use of fleet equipment throughout the various divisions it services. Equipment replacement will be a priority for capital spending purposes.

Parking

The Parking Division continues to work on strategies adopted by Council over the past few years. Capital expenditures will include repairs at the Chown Garage, meter replacement and a new parking ticket and permit management system.

Transit

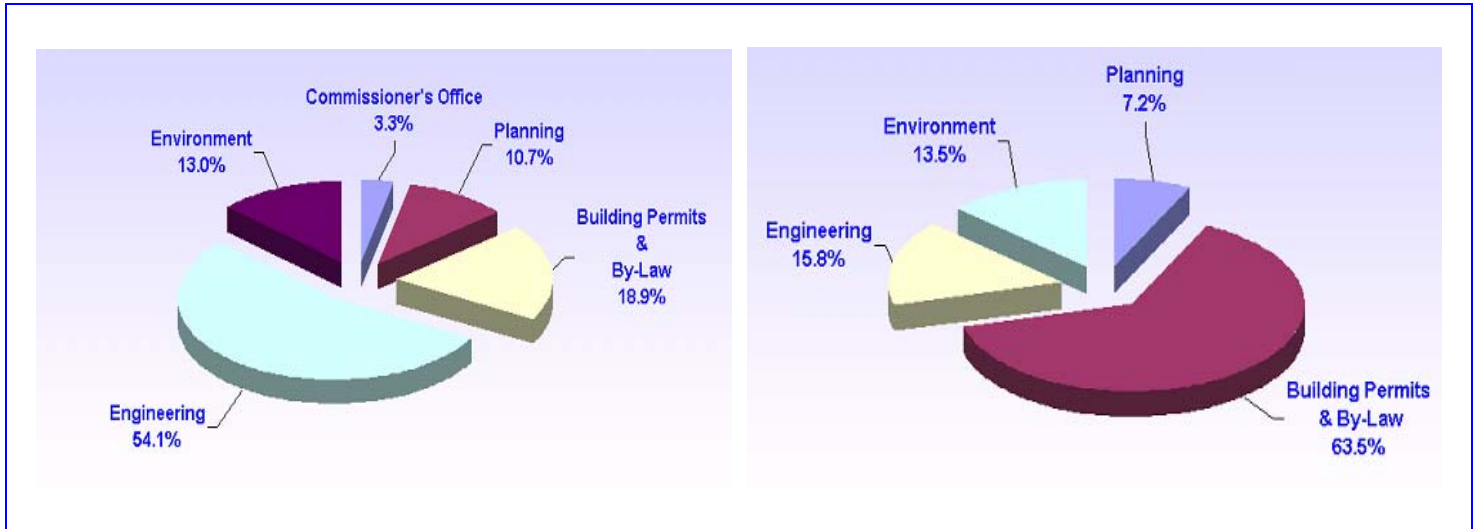
In 2003 the Transit Division will seek subsidy financing for bus replacement and refurbishment, as the City's fleet of buses continue to be upgraded. Rider-ship is expected to remain strong with additional demands due to the double cohort student population in the fall.

Planning & Development Services Budget Highlights

The Planning & Development Services Department includes the following divisions: Engineering, Environment, Planning, Administration and Building Permits and Licensing.

Departmental Gross Expenditures

Departmental Revenues



The 2003 Planning & Development Services budget includes the following highlights:

Commissioner's Office

The Brownfield's Task Force is working on a Long Term Plan to rehabilitate Brownfield properties (redevelopment of contaminated properties). Solving the City's addressing issues so that our GIS data will be acceptable by Bell Canada for the 911 PERS project impacts the budget. Minor renovations are required due to the increase in staff.

Environment Division

Management of the former Belle Park Landfill continues to be a large expense for the City. Reduction of greenhouse gases, energy efficiency, municipal property remediation, coal tar investigation in the downtown area and storm water quality are managed by the Environment Division.

Building & Licensing

A strong construction industry is projected for 2003. Proactive by-law enforcement activities should improve property standards along arterial streets.

Engineering

Work on traffic management, decreasing congestion, pedestrian safety (traffic signs, lights and street lights), management of municipal infrastructure and harmonization of former municipal by-laws take a major percentage of the Engineering budget.

Planning

2003 Projects include:

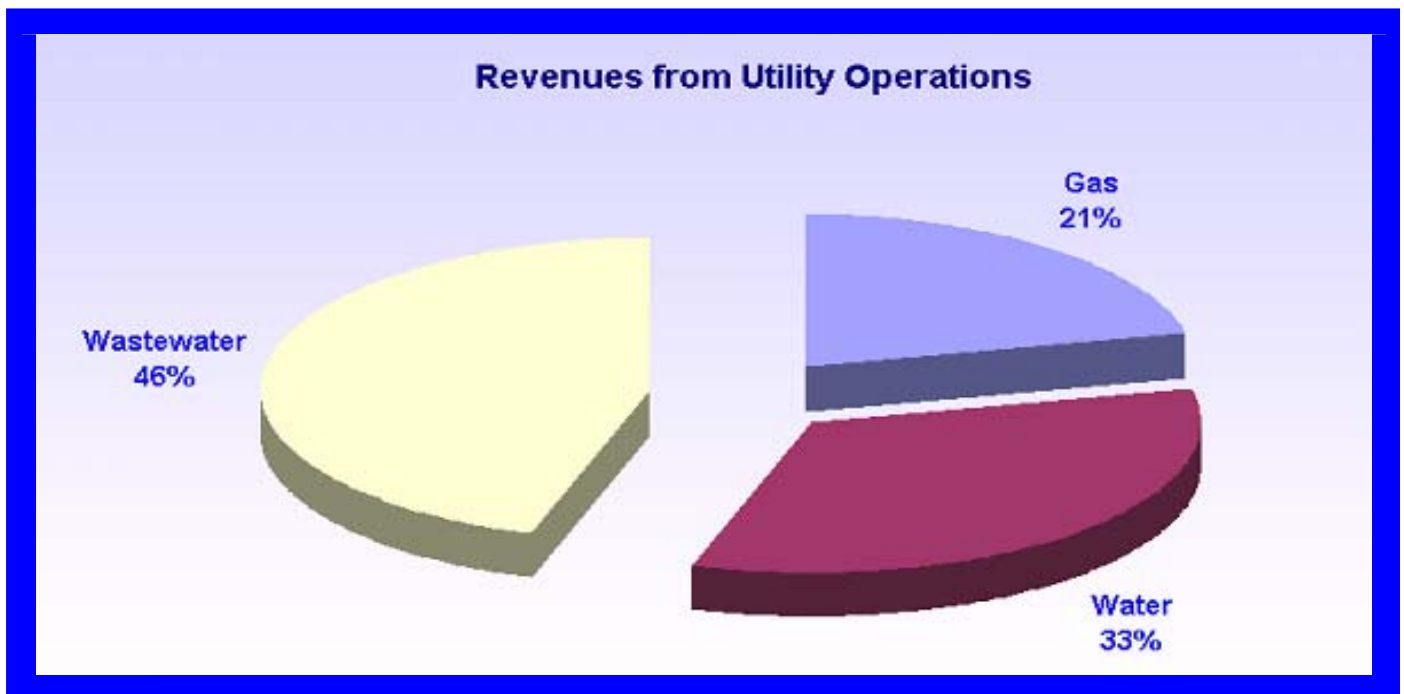
Transportation Master Plan, Urban Growth Strategy, North Block Central Business District Study, Cycling and Pathways Study and the Housing Intensification review in the Student area, Development approvals, committee of adjustment, and the Local Architectural Conservation Advisory Committee.

Utility Budget Summary

	Gas	Water	Wastewater	Total
OPERATIONS				
Commodity charges	20,000,000			20,000,000
Cost of commodity sold	20,000,000			20,000,000
	0			0
Operating Revenues				
Distribution revenues	6,032,000	10,237,000	13,360,000	29,629,000
Other revenues	634,360	191,400	704,824	1,530,584
subtotal	6,666,360	10,428,400	14,064,824	31,159,584
Operating expenses				
Administration	1,154,253	1,465,925	1,183,525	3,803,703
Billing & Collection	575,435	1,134,184	1,134,184	2,843,803
Distribution	1,121,625	2,159,802	1,524,106	4,805,533
Pumping & Treatment		1,924,994	3,665,674	5,590,668
Customer Services	94,943	171,324	177,639	443,906
Buildings				0
subtotal	2,946,256	6,856,229	7,685,128	17,487,613
	3,720,104	3,572,171	6,379,696	13,671,971
Principal and Interest	0	106,855	2,033,839	2,140,694
Net operating revenue (deficit)	3,720,104	3,465,316	4,345,857	11,531,277
Contribution to current capital				0
Annual operating results	3,720,104	3,465,316	4,345,857	11,531,277
Contributions to reserve funds	2,220,104	3,774,840	4,557,362	10,552,306
Transfers to City	1,500,000			1,500,000
Change in working capital	0	(309,524)	(211,505)	(521,029)
CAPITAL				
EXPENDITURE				
Current year's budget (net)	2,688,934	15,096,507	26,729,601	44,515,042
Carry-forward projects	0	3,715,618	924,274	4,639,892
	2,688,934	18,812,125	27,653,875	49,154,934
FINANCING				
Contributed capital				
Contribution from reserve funds	2,688,934	11,562,125	4,778,875	19,029,934
Impost Reserve Fund		3,000,000	3,375,000	6,375,000
Municipality				0
Debt	0	4,250,000	19,500,000	23,750,000
Equity	0	0	0	0
User rates	0	0	0	0
	2,688,934	18,812,125	27,653,875	49,154,934



Utility Budget Highlights



The following summary is provided by Utilities Kingston (UK):

Gas Capital Budget Summary

With completion of the cast iron replacement program, activity in the gas area is focusing on system reliability and long term planning. Steel gas mains in 2002 became an issue in certain areas of the City and UK expects to see continued replacement activity in 2003. UK will also be looking at expanding the high pressure distribution system to improve delivery. New gas services continue to be a major part of the 2003 capital program as it has in 2002, which saw an increase in the number of new services. UK expects in 2003 to undertake a study/analysis of the main gas feed to the City with a view to improving performance and providing system redundancy.

Gas Operating Budget Summary

The Gas operating budget reflects a 2% increase over 2002, generally due to inflation.

Water Capital Budget Summary

Infrastructure renewal and replacement activities in coordination with road reconstruction programs continue to be a major component of the capital budget. 2003 will see a continuation of 2002's program of ongoing capital improvements to the Water Treatment Plants, intended to meet and exceed provincial mandated requirements. In particular, the "backwash" facility at the Central Plant is a key project for 2003. The water main component of the Cataraqui River Crossing project is also part of the current year's projects. 2003 will see the completion of the detailed engineering and planning for a new water storage facility in the west, with the construction scheduled for 2004. Ongoing plant upgrades as a result of the Walkerton incident and the subsequent First Engineer's Reports and resulting consolidated certificates of approval are also impacting capital expenditures.

Water Operating Budget Summary

The water operating budget summary shows an increase of 14%. A portion of this is a result of general inflationary impacts. Areas for savings to reduce this were not found in the water utility as they were in the gas and electric. In addition, other requirements for this utility are having an upward impact on this operating budget. The treatment and delivery of drinking water has become a primary focus of the provincial government and its regulating agency. Proposed new legislation and regulations are requiring us to improve record-keeping and documentation in regards to not only the treatment of water, but also for the distribution system. UK will also be focusing on existing and new procedures, testing and additional training. Another direct additional expense is for increased requirement for chemicals in the treatment process.

Wastewater Capital Budget Summary

The wastewater capital budget in 2003 will focus on two primary areas:

- Infrastructure renewal and replacement activity (road reconstruction) continue to be a major component of the capital budget.
- In addition, 2003 will mark the start of the construction of significant capital projects targeted at substantial performance improvements in the wastewater network. Earlier this year, UK reported on planned projects, addressing the recommendations of Pollution Control Plan and in particular, dealing with the City's overflow/bypass problems. With approximately \$25 million to be invested this year, these projects will complete their detailed design phases and will move into tendering and construction in 2003. These are:
 1. Cataraqui River Crossing: involving two 40 inch wastewater pipes
 2. Harbour Front Wastewater: involving the twinning or replacement of the trunk wastewater from City Hall to the River Street Pumping Station and the installation of a new Combined Wastewater Overflow (CSO) Storage facility
 3. CSO Collingwood St: involving a new CSO near the Central Water Treatment Plant.

Some projects budgeted for 2003 will continue into 2004 and 2005. Of the total Capital amount, \$15,000,000 will be spent in 2004 and \$3,000,000 will be spent in 2005 on these multi-year projects. 2003 will also mark the start of preliminary engineering/planning study of secondary treatment options for our Ravensview Sewage Treatment Plant.

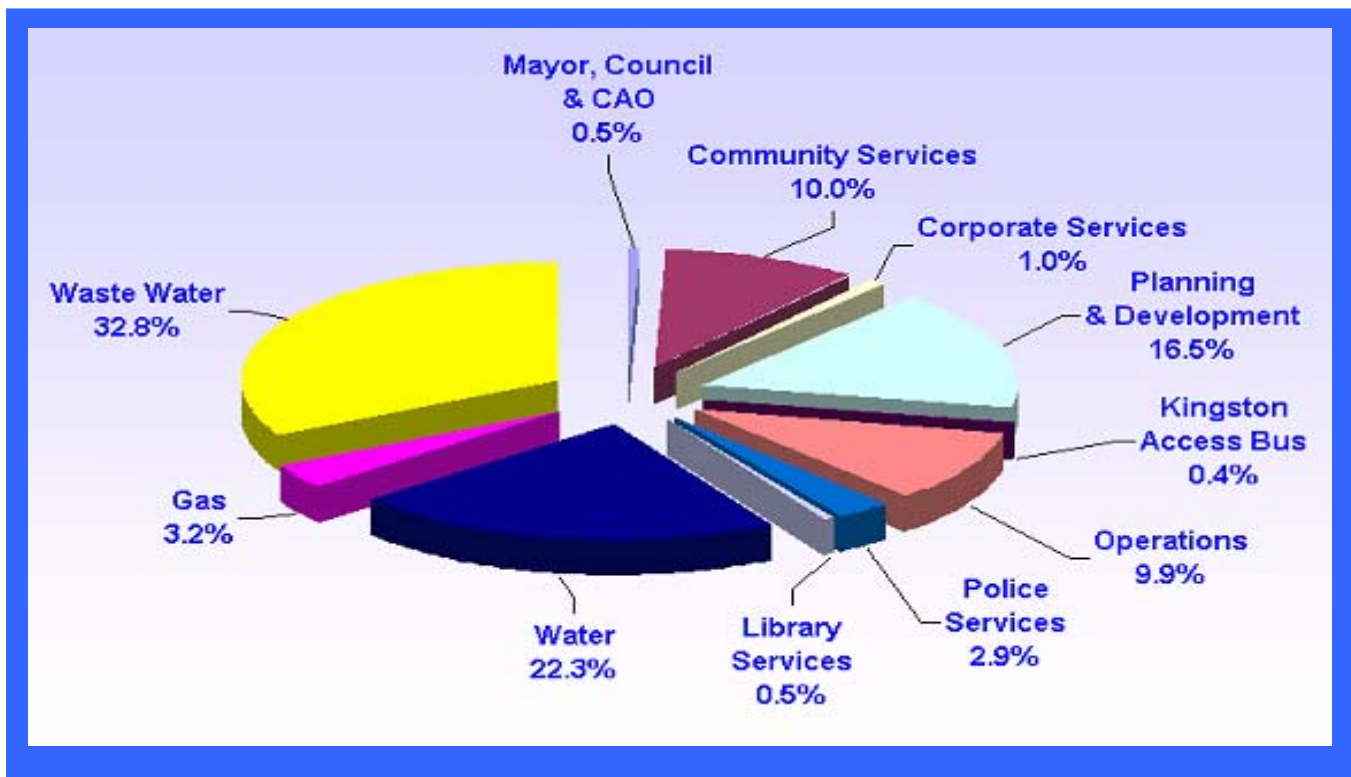
Wastewater Operating Budget Summary

The wastewater operating budget shows an increase of 5%. As with the other utilities, much of this is attributed to general inflationary impacts and the requirement for additional expenses for chemicals to ensure our treatment facilities continue to operate within their regulatory guidelines.

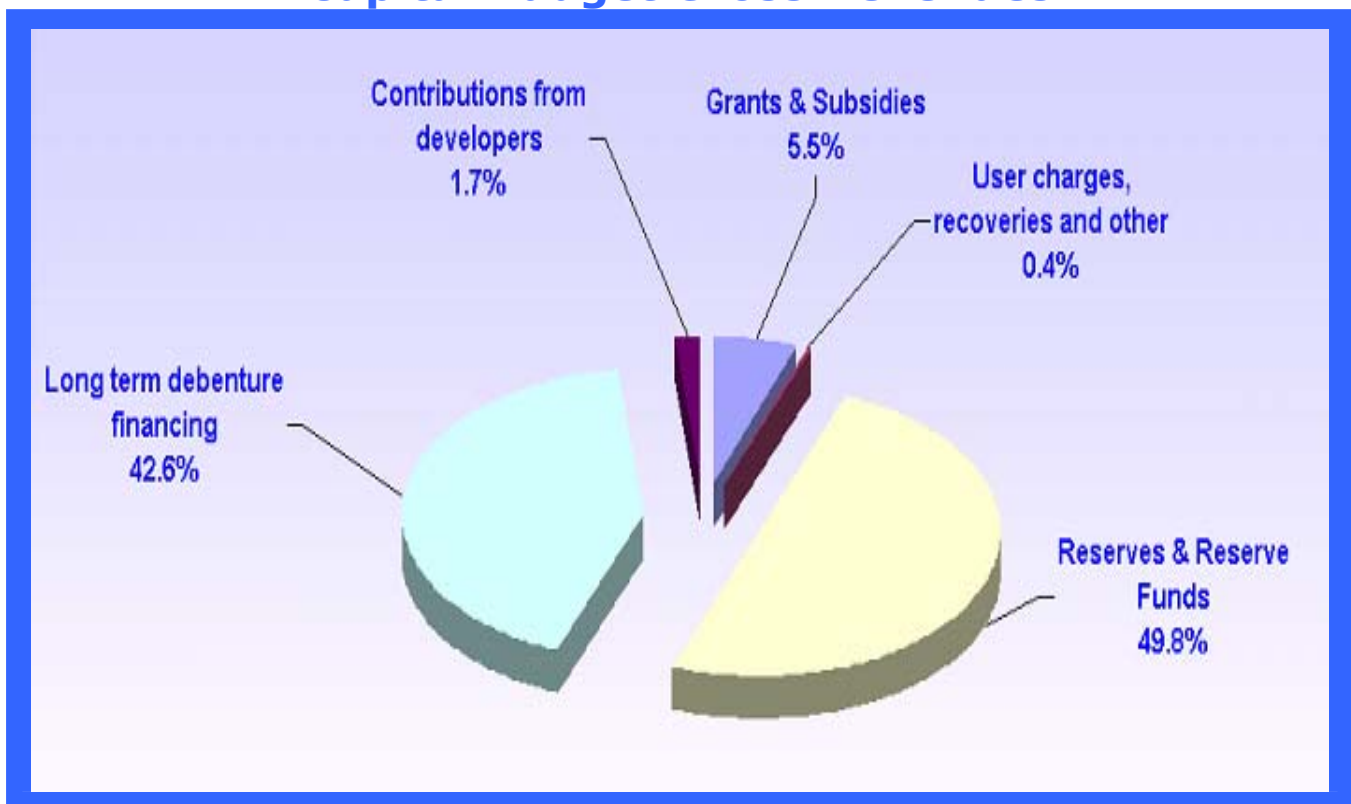
CAPITAL BUDGET DETAILS



Capital Gross Expenditure Budget by Department



Capital Budget Gross Revenues



Mayor, Council & CAO Capital Project Listing

DIVISION	BUDGET \$
Mayor, Council & CAO	
<i>Projects Include:</i> Strategic Initiatives	
Total Mayor, Council & CAO	410,000

Corporate Services Capital Project Listing

DIVISION	BUDGET \$
Finance	25,000
<i>Projects Include:</i> Development Charges Study Update	
Information Systems	672,500
<i>Projects Include:</i> Network Security, Server Upgrades – Municipal, Inter-Networking Upgrades, Printer Upgrades, Standard Desktop Hardware Upgrades, Back-end Automation Software Upgrade, Other Office Automation Software Upgrades, Network Software, Internet & Web Site, Data Warehousing (see data model), Storage Area Networks, Network Redundancy, Server Room Refurbishment, Corporate Computing Furniture, Multi-function Printer Upgrade Study, CBT and On-Line Training for Staff, Corporate Systems	
Client Services & Communications	112,500
<i>Projects Include:</i> Upgrade Phone System, Complaint Management System	
Total Corporate Services	810,000



Planning & Development Capital Project Listing

DIVISION	BUDGET \$
Planning	225,000
<p>Projects Include Inner Harbour Strategy (Brownfields), Heritage Signage/Plaques, Industrial Land Review, Data/Library Project, Office Furniture</p>	
Building & Licensing	46,000
<p>Projects Include: Tracking Software Upgrades, New Furniture and Equipment</p>	
Environment	1,291,000
<p>Projects Include: Quality Control Projects, Site Clean-Ups, Pilot Testing of Management Options, Pumping System Maint/Upgrades, Additional Site Characterization, Site Drainage/Cover Improvements, Care and Maintenance- McAdoo's Landfill, Care and Maintenance-Other Landfills, KE LFS Closure Planning, Land Acquisitions, PCP-GHG Modeling Project, PCP Energy Management Strategy, PCP Green Bldg Incentives Feasibility Study, P2-On-line MSDS Project</p>	
Engineering	12,323,694
<p>Projects Include: Reconstruction, Overlay, Storm Wastewaters, Sidewalks & Para Ramps, New Sidewalks, Downtown Revitalization, Traffic Signals General, Street Lighting, Bridges & Culverts, Storm Systems Improvement – right of way, City/CN right of way Management, Lions Park SWM Pond Modifications, Office Improvements, SWM Pond B1S Cataragui Industrial Park, Growth Capital in DC By-law</p>	
Total Planning & Development	13,885,694



Operations Services Capital Project Listing

DIVISION	BUDGET \$
Transit	1,464,266
<i>Projects Include:</i> Bicycle Racks, New Buses-Addition to Fleet, Transit Replacement/Refurbishing	
Streets	225,000
<i>Projects Include:</i> Surface Treatment (new), CNR Mainline Fencing	
Solid Waste	50,000
<i>Projects Include:</i> Centralized Composting Site	
Properties	590,000
<i>Projects Include:</i> Training Station-Boiler Upgrade, 370 King Street-Fire Alarm Upgrades, City Hall-Accommodation Master Plan, City Hall-Stone Restoration, City Hall-Access Door at Ramp, OPP Station-Soffit Repairs, Senior's Centre-Parking Lot	
Fleet- Municipal Equipment Replacement	2,270,400
<i>Projects Include:</i> Properties, Culture & Recreation, Permits/By-law, Engineering, Parks, Streets, Solid Waste	
Fleet- Utility Equipment Replacement	228,903
<i>Projects Include:</i> Electric, Treatment, Tri-Service, Underground	
Parking	350,000
<i>Projects Include:</i> Chown Garage, Sheraton Garage-monthly permit system, Pay & Display Machine Replacement, Meter Replacement, Parking Ticket and Permit Management System, Handheld Parking Infraction Machines	
Airport	3,110,000
<i>Projects Include:</i> Remediation of Hangars, Sewage Line into Airport, Runway 12-30, ATB Security Changes - CATSA	
Total Operations	8,288,569



Community Services Capital Project Listing

DIVISION	BUDGET
	\$
Social Services/Administration	50,000
<i>Projects Include:</i> Telephone Upgrade/Voice Recognition, Hardware Replacement	
Culture & Recreation	930,000
<i>Projects Include:</i> Programs, Events, Aquatics Exterior Retro Fit- APAC (last stage), Roof Replacement-APAC, Program/Facility/Cash Management Software, Woodworking Museum Dry Well Design/construction, Woodworking Museum Building Infrastructure, Replace Steam Boilers with Hot Water Boilers-APAC, Retile/Renovations Change rooms-APAC, Air-conditioning Installation-APAC Marina Operations Marinas Forecast Business Plan, Upgrade Docks Grand Theatre Facility Infrastructure Portsmouth Olympic Harbour Building Renovations-Lounges/Commercial Area & Building Interior, New Door Entrance Replacement, Entrance off King St. Main through site, Building Infrastructure	
Long-Term Care/Rideaucrest	284,500
<i>Projects Include:</i> Building & Property Patient Lifts, Resident Bath Tubs, Resident Call Bell System, Computer Software & Handheld Units, Flooring Program-Carpets, Flooring Program-Terrazzo, Reupholstery Program/Furniture Replacement, Office Furniture Replacement, Steam Genney, Oven Replacement, Washer Extractor (100lb. capacity), Dryer (120 lb. capacity)	
Parks & Arenas	4,895,000
<i>Projects Include:</i> Arenas Replacement for Info 2000 Software, New Arena Facility Cataraqui Community Centre Metal Roof Sealing (Cat side) Kingston Memorial Centre Replace Boiler #1 & #2, Dehumidifier and Climate Control System, Compressor Replacements, Shingle Roof Replacement, Dressing Room Reclamation, Replace Doors and Hardware, Ammonia Chiller, Header Insulation, 600 Amp Upgrade, Fencing, P.A. Upgrade Royal Kingston Curling Club Feasibility Study Parks Playgrounds Funded by Development Charges, Playground Retrofit Program, Playground Revitalization Program, 1 Mowat-Waterfront Pathway, Parks/Walkways/Path Repair Replacements, Belle Park Driving Range Upgrades, Irrigation System Belle Park Fairways, Irrigation for Sports Fields, Multi-use Pad in Molly McGlynn Park, Park Safety Lighting, Parks Buildings Roof and General Retrofits, Monuments & Memorials Restorations, Park Developments Funded by DC, Buildings key-a-like, LOP-Maintenance Building Upgrades, St. Lawrence College Sport Field (DC), K&P Trail, Skate Board Park-Polson Park, Green House Boiler-Rodden Park	
Fire East, West, Central	2,287,214
<i>Projects Include:</i> Radio Replacement (E,W,C), Two F.P. Vehicles Replacements (C), S.C.B.A. Equipment (E,W), Service Vehicle Unit #5 (C), Hose (E,W,C), Marine (ER Unit)(E,C), Communications Centre (E,W,C), Signage (E,W,C), Training Tower & Classroom(Industrial Land) (C), Brock Street Front Entrance (C), Truck 9 Replacement (E) Service Vehicle Replacement Unit (E,W,,), Tankers (new) – two (W,C), Emergency Management Furniture and Equipment (C), Utility 1 Vehicle Replacement (W), Headquarter Consolidation (E,W,C), Corporate Computer-Assisted Dispatch (C)	
Total Community Services	8,446,714



Police Services Capital Project Listing

DIVISION	BUDGET \$
Police	2,433,081
Projects Include Radio Communication System, Replacement Vehicles, Recondition Cruisers, New Cruisers, Radar Units, MP5 Guns, Intoxilyzer, Computer Workstations, Communications Equipment, Replace Main Computer Servers, Mobile Notebook	
Total Police Services	2,433,081

Library Services Capital Project Listing

DIVISION	BUDGET \$
Library	400,000
Projects Include Shelving Replacement, Renovation to Central Roof re Ice-Build-up, Turner Seminar Rooms, 3 rd Floor Bishop's House Renovations, Library Automation Modules, Library System Upgrade/Replacement, Security, Connectivity, Computer Peripherals	
Total Police Services	400,000

Kingston Access Bus Capital Project Listing

DIVISION	BUDGET \$
Kingston Access Bus	312,000
Projects Include Replacement of KAB vehicles (4)	
Total Kingston Access Bus	312,000



Gas Utility Capital Project Listing

DIVISION	BUDGET \$
Regulation	76,875
<i>Projects Include:</i> Regulator Station Rebuild/Replacement, Regulator Station Equipment	
Distribution	1,125,000
<i>Projects Include:</i> Steel Main Replacement, New Main Extension,	
Metering (Meter and Regulation)	200,000
<i>Projects Include:</i> Meters	
Services	269,063
<i>Projects Include:</i> Copper Service Replacement, New Services	
Hot Water Rental Tanks	307,500
<i>Projects Include:</i> Hot Water Rental Tanks	
Construction & Office Equipment	126,596
<i>Projects Include:</i> Copper Service Replacement, New Services	
Vehicles	10,700
<i>Projects Include:</i> Vehicles	
Utilities Business Systems	573,200
<i>Projects Include:</i> Business Systems	
Total Gas Utility	2,688,934



Water Utility Capital Project Listing

DIVISION	BUDGET \$
Treatment	7,510,000
<i>Projects Include:</i> Plant Upgrades, Legislative Requirements	
Booster Stations	250,000
<i>Projects Include:</i> Upgrades and Major Rebuilds	
Trunk Mains	7,000,000
<i>Projects Include:</i> Construction, Cataraqui River Crossing	
Main & Service Renewal	2,949,625
<i>Projects Include:</i> Various Road Reconstruction Jobs, Defective/Undersized Replacement, Rehabilitation, lining etc.	
Meters – Unmetered	110,000
<i>Projects Include:</i> Kingston West Unmetered Water, Meters	
Storage	400,000
<i>Projects Include:</i> Reservoir Refurbishment, Construction	
System Studies	30,000
<i>Projects Include:</i> Planning and Modeling, Impost Rate Study	
Construction & Office Equipment	220,650
<i>Projects Include:</i> Tools and Office Equipment, Building Exterior	
Vehicles	35,450
<i>Projects Include:</i> Vehicles	
Utilities Business Systems	306,400
<i>Projects Include:</i> Business Systems	
Total Water Utility	18,812,125



Wastewater Utility Capital Project Listing

DIVISION	BUDGET \$
Treatment	1,074,500
<i>Projects Include:</i> Plant Upgrades	
Lift Stations	500,000
<i>Projects Include:</i> Upgrades and Major Rebuilds	
Trunk Wastewaters	16,260,000
<i>Projects Include:</i> Harbour Front, Trunk Wastewater, Cataraqui River Crossing	
Meters – Unmetered and Conversion	60,000
<i>Projects Include:</i> Kingston West Unmetered Water, Kingston West Water Meter Conversion	
Main & Lateral Renewal	2,215,000
<i>Projects Include:</i> Various Road Reconstruction Jobs	
CSO Tanks	6,950,000
<i>Projects Include:</i> River Street CSO	
System Studies	90,000
<i>Projects Include:</i> Harbour Front Trunk Twinning, Impost Rate Study, Long Range Planning	
Construction & Office Equipment	232,625
<i>Projects Include:</i> Tools and Office Equipment, Building Extension	
Vehicles	35,450
<i>Projects Include:</i> Vehicles	
Utilities Business Systems	236,300
<i>Projects Include:</i> Business Systems	
Total Wastewater Utility	27,653,875

TAXATION & REVENUE

SUMMARIES & SCHEDULES



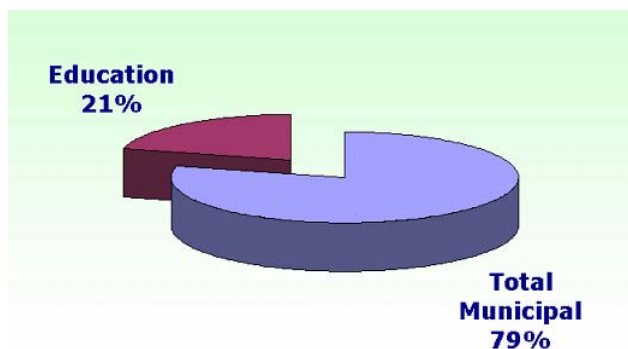
Average Residential Tax by Area

RESIDENTIAL BILL EXAMPLE
IF ASSESSMENT = **\$162,936** (\$150,000 in 2002)

	2002			2003			\$ CHANGE		
	CENTRAL	WEST	EAST	CENTRAL	WEST	EAST	CENTRAL	WEST	EAST
TAXATION									
General	1,648.34	1,648.34	1,648.34	1,733.82	1,733.82	1,733.82	85.48	85.48	85.48
Fire	325.18	88.49	214.34	339.72	138.19	235.70	14.54	49.70	21.36
Garbage	122.48	147.00	93.07	89.21	105.00	89.21	-33.27	-42.00	-3.86
Municipal Total	2,096.00	1,883.83	1,955.75	2,162.75	1,977.00	2,058.73	66.75	93.17	102.98
Education	559.50	559.50	559.50	545.84	545.84	545.84	-13.66	-13.66	-13.66
Tax Total	2,655.50	2,443.33	2,515.25	2,708.58	2,522.84	2,604.56	53.08	79.51	89.31
RATES									
General	0.0102574	0.0102574	0.0102574	0.0106411	0.0106411	0.0106411	0.0003837	0.0003837	0.0003837
Fire	0.0020355	0.0005507	0.0012914	0.0020850	0.0008481	0.0014466	0.0000495	0.0002974	0.0001552
Garbage	0.0007667	\$ 147.00	0.0005608	0.0005475	\$ 105.00	0.0005475	(0.0002192)	-\$ 42.00	(0.0000133)
Education	0.0037300	0.0037300	0.0037300	0.0033500	0.0033500	0.0033500	(0.0003800)	(0.0003800)	(0.0003800)

What Makes Up My Property Tax Bill?

Your Property Tax Bill is made up of two main components:



Education Taxes – The tax rate is set by the Province of Ontario and is billed and collected by the municipality. These levies are remitted to your local school board.

Municipal Taxes – The tax rate for your municipal services is based on council's adoption of the annual budget. The total expenditures relate to a variety of services provided by the City. Revenues from provincial grants, user fees and other sources have been deducted from the total expenditures, resulting in an amount to be raised through municipal taxation.

2003 Taxation and PIL Revenue Summary

TAXATION

GENERAL

Residential/Farm	54,984,921
New Multi-Residential	121,712
Multi-Residential	12,581,971
Commercial	17,241,066
Industrial	2,902,609
Farmland	91,481
Industrial Farmland Awaiting Development	684
Managed Forest	1,593
Pipeline	308,976
	88,235,013

FIRE

Central	8,496,301
West	2,927,121
East	1,107,755
	12,531,177

GARBAGE

Central	2,231,214
West	1,853,430
East	419,276
	4,503,920

SUPPLEMENTARY TAXATION

All Purposes	1,670,300
	1,670,300

Total Taxation

106,940,410

OTHER TAXATION RELATED ITEMS

Payments in Lieu of Taxes	15,673,050
Special Charges	100,000
Write-Offs	(1,360,500)

Total Other Taxation

14,412,550

Total General Revenue

121,352,960



2003 Tax Rate Schedule

		Kingston Central	Kingston West	Kingston East	
1	Residential / Farm RT	Municipal	0.0106411	0.0106411	0.0106411
		Fire	0.0020850	0.0008481	0.0014466
		Garbage	0.0005475	\$105.00*	0.0005475
		Education ▲	0.0033500	0.0033500	0.0033500
		Total	0.0166236	0.0148392	0.0159852
2	New Multi Residential NT	Municipal	0.0106411	0.0106411	0.0106411
		Fire	0.0020850	0.0008481	0.0014466
		Garbage	0.0005475	\$105.00*	0.0005475
		Education ▲	0.0033500	0.0033500	0.0033500
		Total	0.0166236	0.0148392	0.0159852
3	Multi Residential MT	Municipal	0.0257141	0.0257141	0.0257141
		Fire	0.0050384	0.0020495	0.0034958
		Garbage	0.0013231	\$105.00*	0.0013231
		Education ▲	0.0033500	0.0033500	0.0033500
		Total	0.0354256	0.0311136	0.0338830
4. a)	Commercial Occupied (100%) CTN, DTN, GTN, STN, CH	Municipal	0.0176812	0.0176812	0.0176812
		Fire	0.0034644	0.0014093	0.0024037
		Garbage	0.0009098	-	0.0009098
		Education ▲	0.0224082	0.0224082	0.0224082
		Total	0.0444636	0.0414987	0.0434029
4. b)	Commercial Vacant (70%) CUN, CXN, DUN, SUN	Municipal	0.0123768	0.0123768	0.0123768
		Fire	0.0024251	0.0009865	0.0016826
		Garbage	0.0006369	-	0.0006369
		Education ▲	0.0156857	0.0156857	0.0156857
		Total	0.0311245	0.0290490	0.0303820
5. a)	Industrial Occupied (100%) ITN, LTN, IH	Municipal	0.0279849	0.0279849	0.0279849
		Fire	0.0054833	0.0022305	0.0038045
		Garbage	0.0014400	-	0.0014400
		Education ▲	0.0346398	0.0346398	0.0346398
		Total	0.0695480	0.0648552	0.0678692
5. b)	Industrial Vacant (65%) IUN, IXN, LUN, IK	Municipal	0.0181902	0.0181902	0.0181902
		Fire	0.0035642	0.0014498	0.0024729
		Garbage	0.0009360	-	0.0009360
		Education ▲	0.0225159	0.0225159	0.0225159
		Total	0.0452063	0.0421559	0.0441150
6	Farmland/Industrial Farmland FT, I1	Municipal	0.0026603	0.0026603	0.0026603
		Fire	0.0005213	0.0002120	0.0003617
		Garbage	0.0001369	0.0000000	0.0001369
		Education ▲	0.0008375	0.0008375	0.0008375
		Total	0.0041560	0.0037098	0.0039964
7	Managed Forest TT	Municipal	0.0026603	0.0026603	0.0026603
		Fire	0.0005213	0.0002120	0.0003617
		Garbage	0.0001369	0.0000000	0.0001369
		Education ▲	0.0008375	0.0008375	0.0008375
		Total	0.0041560	0.0037098	0.0039964
8	Pipeline PTN	Municipal	0.0095131	0.0095131	0.0095131
		Fire	0.0018640	0.0007582	0.0012933
		Garbage	0.0004895	0.0000000	0.0004895
		Education ▲	0.0183892	0.0183892	0.0183892
		Total	0.0302558	0.0286605	0.0296851

* PER RESIDENTIAL UNIT

▲Education rate has been set by Provincial Regulation # 0.Reg.74/03



2003 Tax Classes, Tax Ratios and Vacancy Rebates

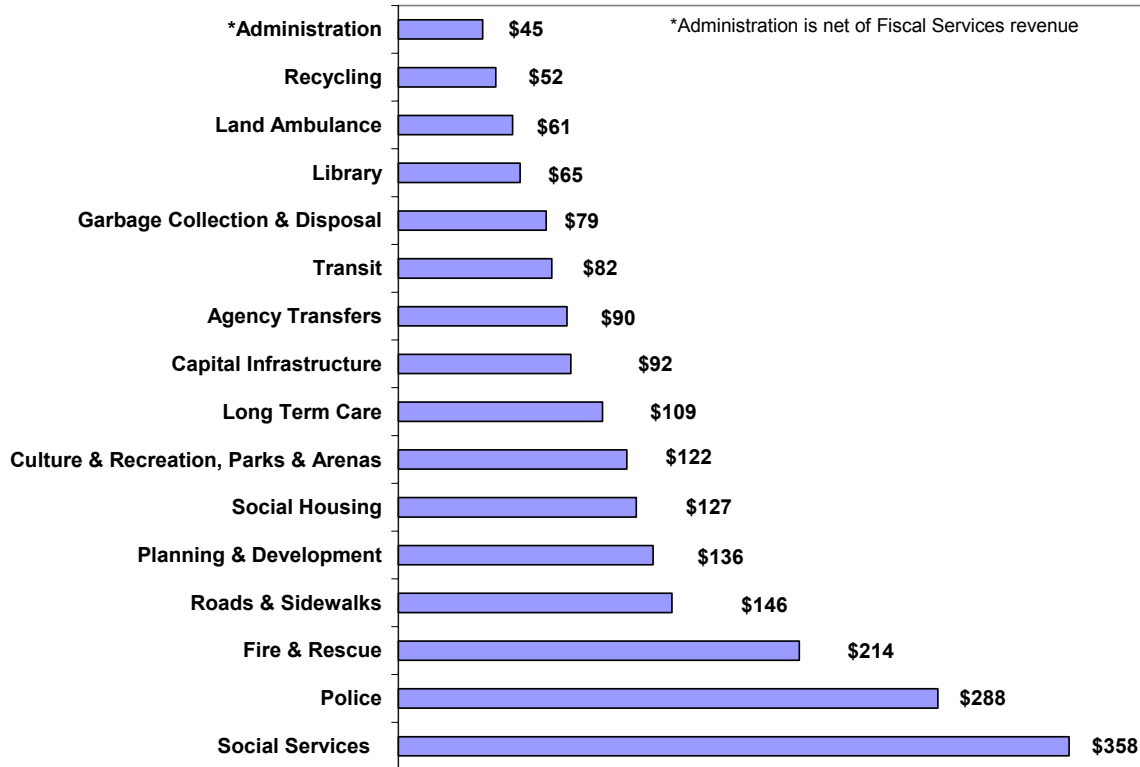
CLASS & TAX RATIO	DESCRIPTION	VACANT FACTOR
TAXABLE		
1.0000	Residential /Farm	100%
RTEP	RES/FAR TXB FUL ENG PUB	
RTES	RES/FAR TXB FUL ENG SEP	
RTFP	RES/FAR TXB FUL FRE PUB	
RTFS	RES/FAR TXB FUL FRE SEP	
RTN	RES/FAR TXB FUL NO SUPPORT	
1.0000	New Multi Residential	100%
NTEP	RES/FAR TXB FUL ENG PUB	
NTES	RES/FAR TXB FUL ENG SEP	
NTFP	RES/FAR TXB FUL FRE PUB	
NTFS	RES/FAR TXB FUL FRE SEP	
NTN	RES/FAR TXB FUL NO SUPPORT	
2.4165	Multi Residential	100%
MTEP	MULTI RES TXB FUL ENG PUB	
MTES	MULTI RES TXB FUL ENG SEP	
MTFP	MULTI RES TXB FUL FRE PUB	
MTFS	MULTI RES TXB FUL FRE SEP	
MTN	MULTI RES TXB FUL NO SUPPORT	
1.6616	Commercial - (100%)	100%
CTN	COMM TXB FUL NO SUP	
DTN	OFF BLD TXB FUL NO SUP	
GTN	PARK LOT TXB FUL NO SUP	
STN	SHOP CEN TXB FUL NO SUP	
CHN	COMM TXB FUL Shared PIL	
1.6616	Commercial - Excess & Vacant Land(70%)	70%
CUN	COMM TXB EXCESS LND NO SUP	
CXN	COMM TXB VAC LND NO SUP	
DUN	OFF BLD TXB EXCESS LND NO SUP	
SUN	SHOP CEN TXB EXCESS LND NO SUP	
2.6299	Industrial - (100%)	100%
ITN	IND TXB FUL NO SUP	
LTN	LRG IND TXB FUL NO SUP	
IHN	IND TXB FUL Shared PIL	
2.6299	Industrial - Ecess & Vacant Land (65%)	65%
IUN	IND TXB EXCESS LND NO SUP	
IXN	IND TXB VAC LND NO SUP	
LUN	LRG IND TXB EXCESS LND NO SUP	
IKN	IND TXB EXCESS LND Shared PIL	
0.2500	Farmland	100%
FTEP	FAR TXB FUL ENG PUB	
FTES	FAR TXB FUL ENG SEP	
FTFP	FAR TXB FUL FRE PUB	
FTFS	FAR TXB FUL FRE SEP	
I1N	IND - FARMLAND WAITING DEVL	
0.2500	Managed Forest	100%
TTEP	MAN FOR TXB FUL ENG PUB	
TTES	MAN FOR TXB FUL ENG SEP	
TTFP	MAN FOR TXB FUL FRE PUB	
TTFS	MAN FOR TXB FUL FRE SEP	
0.2500	Farmland Awaiting Development	100%
I1N	IND TXB FARMLAND 1	
0.8940	Pipeline	100%
PTN	PIP TXB FUL NO SUP	



How are my tax dollars used by the municipality?

The following example is based on a \$162,936 market value property using the total average taxes paid. It is important to remember that Fire and Garbage rates differ by area within the municipality. As a result, averages are used to provide a consistent base for explanation purposes.

Based on a home with an assessed value of \$162,936, the average taxpayer would pay \$2,612. Of this amount, 21% or \$546 represents Education taxes. The remaining 79% or \$2,066 is used for Municipal services. The table below breaks down \$2066 by key Municipal Services.



Service	Description
Administration	Council support services, administration (finance, human resources, information systems, legal and municipal buildings & properties) less unallocated revenues reflected as Fiscal Services
Recycling	Recycling collection and processing, yard waste composting and household hazardous waste
Land Ambulance	Ambulance and paramedic services within the municipality
Library	Library services
Garbage Collection & Disposal	Garbage collection and disposal services
Transit	Provision of conventional transit services as well as the financial support to Kingston Access Bus for services to citizens who are mobility impaired
Capital Infrastructure	Contribution for capital infrastructure projects
Long Term Care	Rideacrest Home for the Aged and the City's share of Fairmount Home costs
Cultural Services	Recreational programs, parks and arenas provided by the municipality
Housing	Subsidized housing
Planning & Development	Management of growth and sustaining the physical form of the city through engineering, environment, planning, building inspection & licensing services
Roads & Sidewalks	Maintenance and repairs (resurfacing, grading, general maintenance), street sweeping, winter control (snow and ice clearing and removal), and storm wastewater maintenance
Social Services	Social assistance (Ontario Works and Family Benefits), childcare and all related support programs
Fire & Rescue	Fire Protection, prevention, education, rescue and emergency response services
Agency Transfers	Financial support for external agencies that provide services such as economic development, public health services, and land conservation
Police	Policing services

