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
Transfer to Capital Reserve Fund $10,167,000  
Total Revenue $30,669,000  

**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 $9,439,000  
Total Revenue $26,330,000  

**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 $2,000,000  
Total Revenue $35,191,000  

**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 $681,000  
Total Revenue $2,663,000  

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


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
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


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

      • Alida Moffatt, Manager, Finance
      • Hazel Gilchrist, Director, Corporate Services

   5. Kingston Access Services
      • Trevor Fray, Executive Director
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: $58,354,576
- 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: 4,224,000
  - Total financing: $58,354,576

and

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

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