

REPORT

ADMINISTRATIVE SERVICES COMMITTEE

MEETING DATE: JUNE 18, 2018

FROM: Finance Department

DATE: May 11, 2018

SUBJECT: By-law 2018-091 - A By-law to authorize Capital Works to be funded in years beyond the term of Council

LOCATION:

WARD: Town wide

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RECOMMENDATION:

That By-law 2018-091, authorizing capital works to be funded in years beyond the current term of Council, be passed.

KEY FACTS:

The following are key points for consideration with respect to this report:

- Long-term financial commitments have been previously approved through the Capital Budget process or by resolution of Council.
- Passage of an authorizing By-law secures funding of those approved financial commitments that extend beyond the term of this Council.

BACKGROUND:

Council has previously approved long-term financial commitments through the capital budget process or by resolution. Passage of By-law 2018-091, referenced as Appendix A, secures funding of those financial commitments that extend beyond the current term of council.

COMMENT/OPTIONS:

Sections 290 and 291 of the *Municipal Act, 2001* (the Act), provide for the preparation of yearly and multi-year budgets. And further, in the case of a multi-year budget that the second and subsequent years be readopted. Therefore, a subsequent council may change the direction or rescind approved funding of multi-year capital projects for those years that extend beyond the current term.

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In addition, the issuance of debentures for debt financing is authorized by By-law in accordance with section 408 of the *Act*. Therefore, an on-going capital project for which debt financing will be required in a year subsequent to a term of council will need to be authorized by by-law to secure that funding in a future term.

The inclusion of an updated debt limit referenced as Appendix B, is consistent with O. Reg. 403/2 which requires the treasurer to update the town's debt limit schedule before authorizing any specific work or class of work, or any increase in expenditure for a previously authorized specific work or class of work that would require long-term debt or financial obligation. The update reflects the addition of the value of that portion of a multi-year project extending beyond the current term of Council for financing needs in a subsequent council term.

The following table summarizes previously approved capital projects, their total projected cost and the portion of that cost that will not be completed by the end of this council's term for which approval of By-law 2018-091 is requested:

PROJECT	PROJECT COST	COMMITMENT BEYOND 2018
43301802 Fire Station #8	6,821,600	4,792,700
46601701 South East Community Centre	45,797,300	28,194,000
52211703 NP4 - Shieldbay	3,328,000	506,000
52211803 Preserve Phase 3 NHS Trails	535,500	110,500
52211817 North Oakville - Neighbourhood Park - 3	3,218,000	2,896,000
52211818 South East Neighbourhood Park	1,970,000	1,370,000
52221703 Towne Square Rehabilitation	1,560,000	1,404,000
53310703 Kerr St Widening and Grade Separation (Speers to NSR-N of QEW)	65,336,000	47,219,000
53311705 Burloak Dr Grade Sep - Harvester to PW D	54,155,000	54,000,000
53321504 Downtown Lakeshore - Reconstruction/Streetscape	10,847,700	9,034,000
TOTAL	\$ 193,569,100	\$ 149,526,200

CONSIDERATIONS:

(A) PUBLIC

N/A

(B) FINANCIAL

Council has previously approved long-term financial commitments through the capital budget process or by resolution.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

N/A

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(D) CORPORATE AND/OR DEPARTMENT STRATEGIC GOALS

This report addresses the corporate strategic goal to:

- be accountable in everything we do
- be fiscally sustainable

(E) COMMUNITY SUSTAINABILITY

Managing the town's long-term financial obligations supports the economic pillar of sustainability

APPENDICES:

Appendix A – By-law 2018-091

Appendix B – Updated Annual Repayment Limit

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