

2008 CAPITAL BUDGET TIMETABLE

Recommendation

The Deputy City Manager/Commissioner of Finance & Corporate Services and the Director of Reserves & Investments in consultation with the City Manager and the Senior Management Team recommends:

That the attached 2008 Capital Budget Guidelines & Procedures and the 2008 Capital Budget Timetable be approved.

Economic Impact

There is no economic impact as this is an information item.

Communications Plan

Public Notice of the November Community Input Meetings will be required in October to inform the public of the dates, times and locations. The Region of York and School Boards will also need to be notified in advance of these dates in order to participate in the presentations.

Purpose

The purpose of this report is to inform the Budget Committee of the 2008 Capital Budget Timetable.

Background - Analysis and Options

The City of Vaughan Capital Budget process provides a forum for long-term planning and establishing construction and service priorities for the future. The proposed guidelines provide stability and balances the need for service with affordability and the requirement to meet the changing economic conditions.

In preparing the 2008 Capital Budget, departments should focus on projects that maintain a standard of repair and maintenance, general efficiency, generate cost savings and the availability of staff resources to complete their capital plan. The objective is to receive public input through Community Budget Forums in October and November followed by a report to the Budget Committee in December for Council approval early in the New Year. The purpose of the Community Budget Forums is two-fold: to educate and inform the public and to solicit input from the public into the budgets by engaging them in the community. The benefit of this timeline is to allow the tendering and construction process to commence early in 2008 to obtain lower bid prices.

The 2008 Capital Budget Guidelines & Procedures (Attachment 1) and the 2008 Proposed Capital Budget Timetable (Attachment 2) have been prepared with the objective of an early 2008 approval. All capital projects will be reviewed within the applicable funding source(s) based on the criteria outlined in the 2008 Capital Budget Guidelines & Procedures, corresponding reserve by-laws where applicable and all City of Vaughan financial policies.

Relationship to Vaughan Vision 2007

This report is consistent with the priorities previously set by Council in Vaughan Vision 2008 particularly: 2.1 Ensure long term financial stability.

Regional Implications

See Communications Plan.

Conclusion

Budget Committee review and approve the proposed 2008 Capital Budget Timetable.

Attachments

Attachment 1 – 2008 Capital Budget Guidelines & Procedures

Attachment 2 – 2008 Capital Budget Timetable

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Respectfully submitted,

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City of Vaughan 2008 Capital Budget Guidelines & Procedures

Definition:

A Capital expenditure must have a gross cost exceeding \$20,000 and be required for the purpose of constructing, acquiring or improving lands, buildings, engineering services or machinery and equipment. The project must be undertaken for the purpose of providing municipal services, have a lasting benefit beyond one year and/or extend the life of the asset.

An expenditure for repair or maintenance designed to maintain an asset in its original state is not a capital expenditure.

Deadline:

Capital budgets are to be submitted to Reserves & Investments no later than **September 14, 2007**.

Guidelines & Procedures:

Each capital budget request should include a project justification which references appropriate source information to support the project. Examples of appropriate source information would include reference to the Development Charge Background Study, life cycle requirements as provided in the Long Range Financial Planning Model, Council Extracts and existing Departmental programs.

All capital budget requests must include a 3% administration fee to cover internal administration costs related to the project, identify operating budget impacts including additional staffing requirements and must be approved by the respective department Head prior to submission to Reserves & Investments.

The value of projects approved will depend on the amount of funds available in a particular funding source and the impact on the City's overall finances. The criteria used for prioritizing funding within a funding source for a capital project includes but is not limited to consideration of the following:

- Pre-Budget approval obtained
- Additional funds required to complete previously approved projects
- Legal or Regulatory requirements
- Growth related projects
- Established programs
- Infrastructure repair projects
- Net revenue generating, cost savings or efficiency improvement projects
- New service levels



City of Vaughan
2008 Capital Budget Timetable

Date	Activity
August 3, 2007	Capital Budget Intranet Site on The Vibe available to Departments
September 14, 2007	Draft Departmental Capital Budgets due to Reserves & Investments
September 17 – October 12, 2007	Departmental Capital Budgets Reviewed with Reserves & Investments and Commissioner of Finance & Corporate Services
October 15 - November 30, 2007	Senior Management Team Reviews
October 15 - November 30, 2007	Public Input Budget Forums
December 2007	Draft Capital Budget to Budget Committee
December 2007 – January 2008	Budget Committee Deliberations
January 2008	Budget Committee recommendation to Council to set a date for Public Input
February 2008	Public Input Meeting
February 2008	Council Approval