

Cape Breton Regional Municipality

Special Council Meeting

AGENDA

WEDNESDAY, MAY 15, 2019

1:30 P.M.

Council Chambers
2nd Floor, City Hall
320 Esplanade, Sydney, NS

Cape Breton Regional Municipal Council

Special Council

Council Chambers
Second Floor, City Hall

Wednesday, May 15, 2019
1:30 p.m.

AGENDA ITEMS

Roll Call

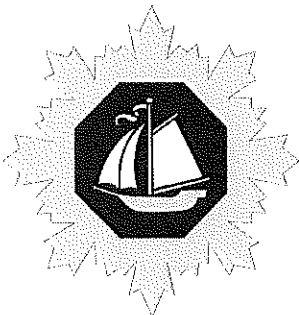
1. **BUSINESS ARISING:**

1.1 **Council Budget Session - March 6, 2019:**

- a) **Proposed Capital Budget 2019-2020:** Jennifer Campbell, Chief Financial Officer (See page 3)
- **Motion – March 6, 2019** (See page 8)

Note: Revised sheets for Budget Binders will be distributed separately.

Adjournment



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Proposed Capital Budget 2019-2020



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Capital Budget Highlights 2019-20

Total Capital Budget

\$59,536,544 (2018/19 - \$33,932,855)

- ▶ Capitalizes on Gas Tax Program top up for 2019/20 announced in the 2019-20 Federal Budget
- ▶ Planned borrowing within policy limits
 - ▶ Debt maintained at 2018/19 levels
- ▶ **Contingent on confirmation of funding participation from other levels of government**



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PROVINCIAL MUNICIPALITY

Capital Program 2019-20

Buildings, Parks and Grounds

Glace Bay Arena - Renovations	\$ 4,500,000
Police East	2,750,000
Buildings - General Upgrades	568,000
Parks and Grounds	150,000
Total Buildings, Parks and Grounds	\$ 7,968,000

Fleet/Equipment

Fleet Replacement	\$ 1,500,000
Fire Vehicles and Equipment	1,183,980
Transit	1,000,000
Total Fleet/Equipment	\$ 3,683,980

TOTAL CAPITAL PROGRAM

Infrastructure

Roads - Local, Arterial/Collector/J-Class/Gravel	\$ 21,430,000
Sydney Cruise Extension	15,035,243
Wastewater Treatment Facilities	3,640,622
Sydney Harbour West Collector	3,000,000
Flood Mitigation	1,073,175
Active Transportation	1,000,000
Sidewalk Reinstatement	1,000,000
Rail Crossing Signals - SPAR/Lingan	551,000
Sewer Inflow/Infiltration Reduction Program	525,000
Wastewater Management	341,288
Boardwalk South Extension	200,000
Charlotte Street Redesign Engineering	88,236
Total Infrastructure	\$ 47,884,564

\$ 59,536,544



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Capital Funding 2019-20

External Funding

Provincial Funding	\$ 15,396,520	
Federal Funding	16,846,820	
Gas Tax Rebate Program	<u>14,707,479</u>	\$ 46,950,820

CBRM

Transfer from Water Utility	\$ 650,000	
Operating Fund	300,000	
Capital Reserve Fund	<u>1,457,000</u>	\$ 2,407,000

Total Project Funding **\$ 49,357,820**

New Debt **\$ 10,178,724**

Total Capital Program **\$ 59,536,544**



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Debt Schedule 2019-20

Current long term debt as of March 31, 2019	\$ 51,610,346
Short term borrowing (17/18 capital projects)	10,250,000
Short term borrowing (18/19 capital projects)	9,891,361
Debt to be retired in 19/20	(10,200,069)
Capital borrowing required for proposed budget	10,178,724
Balance of total debt as of March 2020 (estimate)	<u>\$ 71,730,362</u>



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4 Year Capital Plan - Summary 2019/20 - 2022/23

Capital Budget Year	Proposed Capital Project Value
2019/20	\$ 59,536,544
2020/21	51,821,587
2021/22	50,015,700
2022/23	62,516,397
Total - 4 Year Capital Plan	<u>\$ 223,890,229</u>



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4 Year Capital Plan - Highlights 2019/20 - 2022/23

- ▶ \$78.5m Road rehabilitation, initial paving, J-Class
- ▶ \$68.2m Waste water treatment systems with full compliance of high risk systems by 2028
- ▶ \$13.0m Transit (including Handi-trans)
- ▶ \$10.7m Fleet, fire vehicles & equipment
- ▶ \$6.3m Community, culture and recreation projects
- ▶ \$4.0m Flood mitigation
- ▶ \$4.0m Sidewalk reinstatement
- ▶ \$4.0m Active transportation
- ▶ \$3.7m Sydney Boardwalk South
- ▶ \$3.6m investment - building upgrades
- ▶ Completion of 2018-19 carryover projects of \$28m for 2nd Berth, Glace Bay Arena, Glace Bay Police Station



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4 Year Capital Plan - Funding Model 2019/20 - 2022/23

External Funding

Provincial Funding	\$ 63,866,893	
Federal Funding	72,641,862	
Gas Tax Rebate Program	<u>30,673,152</u>	\$ 167,181,906

CBRM

Transfer from Water Utility	\$ 2,600,000	
Transfer from Waste Water Utility	12,748,236	
Operating Fund (includes gas tax transfer)	5,512,000	
Capital Reserve Fund	<u>1,457,000</u>	\$ 22,317,236

Total Project Funding \$ 189,499,142

New Debt \$ 34,391,087

Total Capital Program \$ 223,890,229



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4 Year Capital Plan - Debt Schedule 2019/20 - 2022/23

Debt continuity

March 31, 2019 Debt (including short term)	\$ 71,751,707
2019/20 Capital Borrowing	10,178,724
Debt retired - 2019/20	-10,200,069
2020/21 Capital Borrowing	10,179,796
Debt Retired 2020/21	-10,179,869
2021/22 Capital Borrowing	7,163,133
Debt retired 2021/22	-8,954,405
2022/23 Capital Borrowing	6,869,433
Debt retired 2022/23	-8,519,278
March 31, 2023 Debt (including short term)	\$ 68,289,172
Debt reduction over 4 Year Capital Plan	-\$ 3,462,535



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Thank You

DRAFT Capital Budget 2019-2020:

Motion:

Moved by Deputy Mayor Doncaster, seconded by Councillor George MacDonald, to defer the Capital component of the Budget, pending infrastructure funding negotiations.

Discussion:

Mayor Clarke advised that presently there is no leveraged funding considered in the draft Capital Budget. New program streaming is coming forward with more flexibility with rural and northern components. Local roads are a priority and for the Boardwalk and Library projects, clarity is required. Once additional information is received following the completion of the Provincial and Federal budgets, a better understanding will be available on how the local roads program will work.

Also discussed:

- Without leveraged funding, Wastewater projects required to meet Federal Regulations will cost CBRM \$125 million and funding will not be available for any other infrastructure;
- Anticipated impacts and projections are expected to be available by late April or May with discussions happening no later than May.
- The CAO advised that:
 - the Budget must be in place within 6 months of the year end. Having the Capital Budget discussions after the fiscal year will not impact negotiations, however the construction season is a concern for staff;
 - the Viability Study will not impact the present budget, however will be important for Council when creating their Strategic Plan and a future role with how the Province treats CBRM in terms of infrastructure and grant decisions

Motion Carried.

