



Office of the Auditor General / Bureau du vérificateur général

AUDIT OF BUDGETING FOR GROWTH FUNDING

2011

**VÉRIFICATION DE LA BUDGÉTISATION DU FINANCEMENT
DE LA CROISSANCE**

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EXECUTIVE SUMMARY

Introduction

The Audit of Budgeting for Growth Funding was included in the 2011 Audit Plan of the Office of the Auditor General, approved by Council on April 13, 2011.

Background

The City of Ottawa budgeting process is guided by the Council-approved fiscal framework which provides a high-level roadmap to sustainable finances. The foundation of the fiscal framework is a set of overarching principles for responsible financial management. The framework serves as guidance and reference to the budgeting process and an accountability and communication tool for Council and residents. The 2006 Development Charge Accounts report outlines the funding principles recommended for the various service categories.

Growth funding is the additional budgetary resource requirement associated with population growth that results in increases to the City's infrastructure/ equipment/ staffing base in order to maintain programs and services at current Council approved service levels.¹ Capital project costs related to growth are captured in the capital budget, also approved by Council, identifying the projects which will be undertaken during the year and how they will be funded. Growth projects are funded in part by the Development Charges Act (DCA), which permits the City to fund the growth portion of new infrastructure required to support new development from a charge levied, in most cases, at the building permit stage. Growth projects undertaken must be identified in the City of Ottawa Development Charges Background Study Report that is prepared every five years and must be prepared pursuant to Section 10 of the DCA. The preparation of the Development Charges Background Study Report is led by the City's Planning and Growth Management Department.

Audit Objective and Scope

The objective of this audit engagement is to assess the extent to which the budgeting approach and process supports fair and transparent allocation of growth funding.

For the budget year 2011, the total capital budget was \$849,210,000, of which \$327,427,000 was related to growth² and is within the scope of this audit.

The scope of the audit included the approach and processes used to budget for growth related capital projects. The audit also examined the communication

¹ 2011 City of Ottawa, Budget 2011: Operating and Capital Budget (2011) page xxx.

² 2011 City of Ottawa, Budget 2011: Operating and Capital Budget (2011) page 12.

procedures and processes for disseminating budgeting for growth funding information to internal and external stakeholders.

The audit included the approach and process used to plan and identify projects eligible for growth funding, including reviewing the reasonableness of the percentage of costs covered by development revenues. The scope excluded a financial evaluation of the amounts budgeted for these growth projects. The City of Ottawa Development Charges Background Study Report was consulted where necessary to support the assumptions related to the growth component of capital projects examined as part of the audit; however, the Background Study itself was not the subject of the audit.

Summary of Key Findings

1. The growth related capital projects identified in the Growth Management Plans are prepared by the Planning and Growth Management Department with input from the public, stakeholders, Standing Committees and approval from Council. As a result of these consultations and Council approval, these Growth Management Plans garner attention and visibility and play a key part in identifying the growth capital projects that are used in the Development Charges Background Study. However, the identification of projects in the Growth Management Plans, at the Official Plan stage, involves limited financial evaluation and does not provide an in-depth assessment of affordability as a key element in the identification of projects contained within the Transportation Master Plan and the Infrastructure Master Plan. In this phase, projects are identified on the basis of needs given population and employment projections and implications on funding sources, such as a large increase in development charges, are not considered or communicated and as a result, the Growth Management Plans, which has set public expectations on what is to be developed, may identify a list of capital projects that exceed the potential funds available to execute them.
2. In interviews with City of Ottawa staff from the Planning and Growth Management Department and through our testing of growth projects, we found the City of Ottawa compliant with all clauses of the Development Charges Act, 1997 relevant to calculating development charges that were utilized in budgeting for the growth capital projects examined.
3. The City of Ottawa Development Charges Background Study appropriately considered all required deductions as per the Development Charges Act in all the services in which it intends to apply the development charge rate. However, it was identified that the rationale to support the assumptions used to estimate these deductions are inconsistently documented. For example, the benefit to existing development (BTE) component of road and related services is supported by traffic studies that analyze road usage by volume and capacity

- (V/C). The BTE component of major indoor recreation facilities provides limited data to support the justification of the estimated BTE component of facilities.
4. During the development process of the DC Background Study, extensive consultation occurred with the Planning and Environment Committee as well as key stakeholders, including developers and the public. A Development Charge External Stakeholders' Group and a Development Charges By-law Sponsor Committee (Sponsor Committee) were also established to solicit input from stakeholders and guide the update of the DC by-law. The public, key stakeholders and Council members on the Planning and Environment Committee are all provided an opportunity to ask questions and provide input in the identification of projects and the calculation process for the development charge rate. The process used to identify growth related capital projects and estimate development charges rates is documented, consultative, and transparent.
 5. As part of the annual budgeting process, departmental staff from the City Operations Portfolio and Infrastructure Services and Community Sustainability Portfolio, with the assistance of the staff in the Financial Services Unit, will prioritize the growth capital projects for the upcoming fiscal year. Departmental staff will take into consideration when the project was scheduled to begin with reference to the Development Charges Background Study, Growth Management Plans and/or Capital Programs and will also consider the funding envelope provided to them by the Financial Services Unit. Departmental staff will then make recommendations for projects to be initiated and request spending authority for Committee and Council consideration in the draft budget.
 6. For the budget year 2011, the total capital budget was \$849,210,000, of which 46 projects totalling \$327,427,000 were categorized as growth. A full list of growth capital projects can be found in Appendix B and full list of non-growth projects can be found in Appendix C. Of the \$327,427,000 budgeted cost for growth projects, approximately \$81,447,000 will come from development charges funding. However, given the complexities of how development charges are collected and spent, it is not practical to assess growth related capital spending on a ward-by-ward basis. This is because residential development charges are collected on a mix of city-wide and area-specific basis for different service areas, while non-residential development charges are calculated on a uniform city-wide basis. As a result, some projects are funded from the DC city-wide accounts; while other projects are funded from the DC area-specific accounts. In 2011, approximately \$72.4 million (89%) of the total \$81.4 million spending from development charges will be drawn from city-wide DC accounts, while only \$9 million (11%) of development charges will be from area-specific DC accounts. Additionally, many of the growth projects listed are located in a specific ward but will provide benefits to individuals across the city. For example, the Light Rail Transit (LRT) (Tunney's to Blair) project is the largest growth project

identified in the 2011 budget with a cost of \$148,991,000. Although it will be located in wards 11, 15, and 17, the LRT will certainly benefit individuals beyond those three wards. As such, an analysis of the capital spending by ward would not yield an accurate portrayal of the wards truly benefiting from the project.

7. The audit examined six growth related capital projects totalling approximately \$9.9 million to ensure projects were budgeted accurately and funded by the appropriate sources. In the projects selected for examination, it was identified that the growth related projects followed a consistent identification and budgeting process. The growth capital projects examined were appropriately identified in the DC Background Study and were budgeted in accordance with the growth/non-growth ratios identified in the DC background study with minor (equal to or less than 5%) differences. For example, the 2008 Cycling Facilities Program project was identified in the 2004 Development Charges Background Study and was subject to a growth/non-growth ratio of 28/72. It was observed that at the completion of the project, project financing was consistent with the ratios identified with 28% of funding drawn from development charge accounts and the remaining 72% from the city wide capital reserve fund.
8. Significant variances existed from the original spending authority requested in the annual budget from the amount spent at the time of project closure in two instances. The Forest Valley Pumping Station project was originally budgeted for \$1,000,000 in the 2003 capital budget; however, an additional spending authority of \$500,000 was requested and approved by Council in the 2004 capital budget. The additional authority was required to expand capacity and meet the needs of increased target densities identified in the City's New Official Plan. The Terry Fox Dr (Cope to Eagleson) project also required budget adjustments. \$1.7 million was originally committed to the project from the 2005 capital budget with \$4.6 million of additional funding coming from subsidies and transfer of fund from other projects. However, an additional \$200,000 was requested from Council in 2006 to cover additional construction costs not foreseen at the design stage and an additional \$200,000 was transferred from other project accounts in 2009 to cover expropriation settlement costs.
9. Through our testing of growth projects, we observed that the controls in place were operating as intended. The DC Background Study, annual capital budgets and Closure Reports were all reviewed by the appropriate Standing Committees and approved by Council. The growth portion of the capital project was charged to the appropriate development charges account and reconciled with the amounts in the Closure Reports presented to Standing Committees and approved by Council.

10. It was noted that the 2009 DC Background Study contained “programs” for a portion of Roads and Related Services and for Parks Development rather than specific projects. Programs are different in that they group several like projects together under one program name. For example, Roads and Related Services contains a New Traffic Control Signal Program that is made up of several smaller projects with a total estimated gross capital cost of \$36,604,000 from 2010-2031 with a growth/non-growth ratio of 79/21. Programs provide departmental staff with budgeting flexibility but it also makes tracking funds to specific projects difficult since the specific growth/non-growth funding split is not identified for each project.
11. The 2009 DC Background Study did not include a specific list of parks capital projects for Committee and Council to review and approve. The audit found that a 4 and 10 year forecast for parks, listing specific parks projects, has since been established in 2010 by the Planning and Growth Management Department to identify, prioritize and allocate parks based on priority. The 4 and 10 year forecasts of parks are submitted to Financial Planning and functions as a request for future funding envelopes from which the Planning and Growth Management staff begin the budget process every year. The preparation of the 4 and 10 year forecasts of parks puts in place a more transparent prioritization process of parks allocation; however, the forecasts are not submitted to Committee or Council for approval. As part of the preparation of the DC Background Study and DC by-law, Deputy City Manager, supported by the Planning and Growth Management Department communicates regularly and submits a report to the Planning Committee that summarizes how the development charge rate is calculated. The information found in this report contains key information on how the development charges are calculated, and is presented to the Planning Committee for their review and recommendation to Council of the Development Charges Background Study and By-law. Councillors that do not sit on the Planning Committee at the time the Development Charges by-law is being passed do not have this information presented to them and as a result, may not be as knowledgeable in the area of funding for growth related capital projects. Given the importance of the development of growth capital projects to all Councillors, a report that summarizes the key assumptions and factors that influence the calculation, collection, and spending of development charges in a comprehensive manner that presents an appropriate balance of information and detail should be provided and made easily accessible to all Councillors prior to the City Treasurer’s Statement on Development Charge Reserve Fund Activity.
12. The 2009 DC Background Study provides an estimated timeline of when projects are to be executed and estimates the gross capital cost of projects. Once the DC Background Study has been prepared, factors may arise that impact the timing and estimated cost of a growth related capital project by the time spending

authority is requested and presented in the annual capital budget. For example, the 2009 DC Background Study may identify a recreation facility to be construction in 2010; however, due to delays in acquiring land or the environmental assessment, the project may not be able to begin until after the projected timeline of 2010. These factors and the associated financial implications on the DC funds available and original estimated cost are not analysed and presented to Council to provide a complete picture of how the budgeted costs have changed over time.

Recommendations and Management Responses

Recommendation 1

That the City examine opportunities to include Finance in the development of growth management plans in order to allow discussions on affordability and sources of funding to occur early in the process.

Management Response

Management agrees with this recommendation.

The *Development Charges Act* stipulates that the City should examine the "affordability" of the projects for which development charges are being collected.

Growth/non-growth shares are established for each project so that Council can assess the affordability of work. Cash flow requirements are calculated so that inflation, interest and borrowing costs are included to keep the various reserve funds in balance.

During the next update of the Official Plan, staff will develop a financing plan to reflect the City's updated infrastructure master plans to ensure consistency with the principle that growth pays its fair share of costs. It is anticipated that this will be completed by Q4 2013.

Recommendation 2

That the City establish a standard level of detail and support for all assumptions used in the budgeting for growth funding, and ensure that it is consistently applied.

Management Response

Management agrees with this recommendation.

Management will provide an additional summary analysis comparing the budgeted capital program, based on the funding principles, to various items listed in the Development Charges Background Study. This will be provided as part of an annual technical briefing in Q1 of each year (further detail is provided in the management response to Recommendation 5).

The current development charge funding principles are used as the underlying rationale behind when growth projects can proceed. By definition, projects that support the city's on-going growth are required to be partially funded by development charges. The funding principles determine when a project can proceed based on when it is required in the overall development cycle and on the amount of development charges that have been collected. For example, the growth-related funding principle reflected in the City's guidelines for soft services is that the reserve fund account cannot be in either a cash or commitment deficit at the end of the term of the By-law. In general, soft-service related projects are not required until a majority of the growth is in place and therefore, sufficient growth-related funding has been collected to pay for the projects.

A funding envelope is also established as part of the budget directions report, which is used to determine the amount of non-growth related funding available in order to finance the proposed capital investments.

While the City's funding priorities are initially established in the Background Study they are then subject to annual review during the capital budget process because future revenues are dependent on the level of development activity in the city over the five-year life of the Development Charges By-law. Appropriate adjustments to the capital forecast are made to reflect prevailing economic conditions with Council ultimately approving the eligible capital works through the annual budget approval and planning process.

The City used the foremost expert in development charges to provide staff with the expertise required to update the Background Study. This individual met with staff from each service area to review project submissions and to ensure that their calculations, including 'benefit to existing' (BTE), were completed correctly based on the legislative requirements.

Recommendation 3

That the City put in place controls to facilitate tracking of growth and non-growth portions of projects where budgeting is done on the basis of programs.

Management Response

Management agrees with this recommendation.

In the past, a specific listing of individual projects was not provided in the case of programs for several reasons: it is difficult to be precise in forecasting some of the costs given the uncertain nature of the way in which the work will be constructed; certain areas might be brought forward for development at any particular time; and the nature and type of work that the City might require as a prerequisite of development may vary.

In most cases, this project listing is identified in the annual capital budget document, Long Range Financial Plan, and various feasibility studies. Therefore, City Council confirms its intention that the increase in need will be met through approval of the capital program envelope outlined in the above-referenced documents.

In order to fully meet the intent of this recommendation, management will ensure that the planned level of investment by project type be provided in the Development Charges Background Study. This will be completed by the end of Q2 2014.

Recommendation 4

Given the visibility of parks, that the City present the 4 and/or 10 year forecasts of parks development to Committee or Council for approval.

Management Response

Management agrees with this recommendation.

The 2009 Development Charges Background Study calculation of the Parks Development component of the charge did not set-out the planned investment by project type for the three area locations; however, the 2011 Development Charges by-law amendment did provide a specific listing of planned parks until 2019. Management believe this meets the intent of this recommendation.

A four-year forecast for individual Parks Development projects will be brought forward to Committee/Council for approval as part of the next capital budget process in 2013. Management notes that this is now being done on a project basis for development charge projects.

Recommendation 5

That the City identify opportunities to provide information on the calculation, collection, and spending of development charges to all Councillors. This should be provided in a manner that summarizes the detailed information and assumptions in the DC Background Study to address the key issue of whether growth appropriately pays for itself to the full extent provided by legislation.

Management Response

Management agrees with this recommendation and it has been implemented.

A technical briefing was provided to all members of Council and their staff on March 5, 2012, which summarized the current Development Charges Policy Framework. Included in the briefing session was an overview of the *Development Charges Act*, the various steps required in calculating the charges, internal policy issues and the impact the legislation has on the City's ability to fund growth-related capital projects. Copies of the 2009 Development Charge Background Study, as well as the presentation, were made available to all of the participants.

An update will be provided prior to the release of the Treasurer's Statement (the Treasurer's Report is provided annually in April of each year).

The schedule contained in the Treasurer's Statement provides detailed information that summarizes the yearly collection and spending for each service component for Councillors. The treatment of reserve fund balances outlined in the schedule is based on widespread municipal practice in Ontario. In addition, detailed information outlining actual project funding, outstanding commitments and yearly revenue fluctuations are available upon request from the Program Co-ordinator.

Recommendation 6

That the City clearly identify the factors that contribute to changes in timing and gross capital project costs between the DC Background Study and the approval for spending authority as part of the capital budgeting process.

Management Response

Management agrees with this recommendation.

Once a development charge is in place, there is a legislative obligation on the part of the City to spend its development charge receipts on the projects listed in the Background Study within the timelines stipulated. The capital budget process is the tool by which the City is guided in its expenditures of development charge money.

The Background Study estimates were based on current tender prices in order to establish the cost of future works and provide an accurate costing for projects included in the charge. However, actual expenditures on certain components may not reflect the most up-to-date costs resulting in projects exceeding original estimates. Since development charges are indexed annually by the construction price index, this protects the City's liability in situations where construction costs increase more than the initial project estimate.

There may also be subsequent deviations in the timing of expenditures to more accurately reflect anticipated revenues. The financial viability of each reserve fund is based upon actual collections and projections in order to smooth out any cash imbalances in the account. Shortfalls may occur for several reasons such as: substantial overruns on project costs that were identified in the background study; new legislative requirements for works increasing project costs or altering timing; and loss of revenue due to any significant decline in growth projections.

The City will, however, accept deficit positions in some reserve funds and does use a predictable and systematic approach to prioritizing and funding development charge works based on available revenues. It is important for the City to prioritize capital works to not only ensure the appropriate contribution from development charges but also ensure the availability of the amount

benefiting existing development. This non-growth share is applied to all growth-related capital expenditures and must be funded by taxpayers.

Finally, the City is required, every five years, to conduct an update through an external consultant of the City's population, household, infrastructure costing, and growth projections for residential and non-residential land use. These numbers are then used for forecasting in any subsequent background study, over the planning horizon, the expected cost and timing of capital requirements required to support the planned level of growth. The review and update also include assumptions regarding benefit to existing taxpayers and residential and non-residential allocations. The development charge rates are then updated based on these more accurate assumptions.

In order to enhance our current processes, if actual expenditures on a particular growth-related capital project are greater than 25% of the original estimate or if the project timing has been advanced from what is shown in the Background Study, staff will conduct an analysis of the reasons for the differences. The results of the review will be available from the Program Co-ordinator as part of the annual technical briefing for Councillors. This will be done for the next reporting process in Q1 2013.

Areas of Potential Savings

Currently, Finance has limited input in assessing affordability of the growth capital projects identified in the City's Growth Management Plans. The involvement of Finance in a greater capacity at an earlier stage of the master planning process, along with an overall financial evaluation, will result in more informed stakeholder discussions on affordability upfront and will improve the efficiency of budgeting process for growth capital projects as a whole, resulting in potential savings in time and resources downstream.

Conclusion

The audit found that the City has in place an established process for budgeting for growth related projects, and the controls in place for the budgeting of growth funding information were operating as intended. However, the process is complex, with input from many departments within the City and is based on a number of key assumptions. While the key assumptions used to calculate development charges which fund the growth portion of capital projects are appropriate and consistent with the legislated requirements in the Development Charges Act, the documentation of rationale used to support the estimates for each of the key assumptions is inconsistent. There are opportunities to improve the summary and communication of information on the key assumptions and factors that influence the calculation, collection, and spending of development charges to City Council and the public so that an appropriate balance of information and detail is achieved and the objective of transparency is met.

Acknowledgement

We wish to express our appreciation for the cooperation and assistance afforded the audit team by management.

RÉSUMÉ

Introduction

La Vérification de la budgétisation du financement de la croissance a été incluse dans le Plan de vérification 2011 du Bureau du vérificateur général approuvé par le Conseil, le 13 avril 2011.

Contexte

Le processus budgétaire de la Ville d'Ottawa s'appuie sur un cadre fiscal approuvé par le Conseil, lequel fournit une feuille de route de haut niveau en matière de viabilité financière. Les fondements du cadre fiscal sont constitués d'un ensemble de principes directeurs pour assurer une gestion financière responsable. Le cadre fiscal sert de guide et de référence au processus budgétaire et d'outil de reddition de comptes et de communication à l'endroit du Conseil et de la population locale. Le rapport de 2006 sur les comptes des redevances d'aménagement présente les principes de financement recommandés pour les diverses catégories de service.

Le financement de la croissance correspond au besoin additionnel de ressources budgétaires associées à la croissance de la population, croissance qui entraîne l'augmentation de l'infrastructure, des équipements et des effectifs de base de la Ville nécessaires pour maintenir les programmes et les services aux niveaux actuels de service approuvés par le Conseil.³ Les coûts afférents aux projets d'immobilisation liés à la croissance sont reflétés dans le budget d'immobilisations, également approuvé par le Conseil. Ce budget détermine quels projets seront mis en œuvre durant l'année et leur mode de financement. Les projets liés à la croissance sont financés en partie en vertu de la *Loi sur les redevances d'aménagement (LRA)*, une législation qui permet à la Ville de financer par des redevances, dans la plupart des cas perçues lors de la délivrance des permis de construction, la portion liée à la croissance d'une nouvelle infrastructure requise pour appuyer un aménagement futur. Les projets liés à la croissance doivent être indiqués dans le rapport sur l'étude préliminaire des redevances d'aménagement de la Ville d'Ottawa, qui est préparé tous les 5 ans et doit être conforme aux dispositions de l'article 10 de la *LRA*. La préparation de ce rapport relève du Service de l'urbanisme et de la gestion de la croissance de la Ville.

Objectifs et portée de la vérification

Cette vérification vise à déterminer dans quelle mesure l'approche et le processus de budgétisation soutiennent une allocation juste et transparente du financement nécessaire à la croissance.

³ Ville d'Ottawa 2011, Budget 2011: Budget de fonctionnement et d'immobilisations (2011) page xxx.

Pour l'année budgétaire 2011, le budget d'immobilisations était de 849 210 000 \$, dont 327 427 000 \$ étaient reliés à la croissance⁴ et font l'objet de cette vérification.

Cette vérification porte sur l'approche et les processus utilisés pour la budgétisation de projets d'immobilisations liés à la croissance. La vérification porte aussi sur les procédures et processus de diffusion de renseignements sur la budgétisation du financement de la croissance aux intervenants internes et externes.

Cette vérification porte sur l'approche et les processus employés pour planifier et déterminer les projets admissibles au financement lié à la croissance, notamment l'analyse de la vraisemblance du pourcentage des coûts couverts par les redevances d'aménagement. La vérification n'a pas porté sur l'évaluation financière des montants budgétés pour ces projets liés à la croissance. Le rapport sur l'étude préliminaire des redevances d'aménagement (RA) de la Ville d'Ottawa a été consulté au besoin pour soutenir les hypothèses reliées au volet croissance des projets d'immobilisations examinés dans le cadre de cette vérification, mais l'étude préliminaire des RA ne faisait pas l'objet de la vérification.

Résumé des principales constatations

1. Les projets d'immobilisations liés à la croissance inclus dans les plans de gestion de la croissance sont préparés par le Service de l'urbanisme et de la gestion de la croissance de la Ville avec la participation du public, des intervenants et des comités permanents et ils sont approuvés par le Conseil. Suivant ces consultations et l'approbation du Conseil, ces plans de gestion de la croissance s'attirent de l'attention et de la visibilité et ont un rôle important dans l'établissement des projets d'immobilisations liés à la croissance indiqués dans l'étude préliminaire des RA. Toutefois, l'évaluation financière des projets indiqués dans les plans de gestion de la croissance à l'étape du Plan officiel est limitée et il n'y a pas d'évaluation en profondeur de leur abordabilité en tant que facteur essentiel justifiant leur inclusion dans le Plan directeur du transport et le Plan directeur de l'infrastructure. À cette étape, les projets sont déterminés en fonction des besoins prévus de croissance de la population et de l'emploi, et leurs répercussions sur les sources de financement, comme une augmentation substantielle des redevances d'aménagement, ne sont pas prises en compte ni communiquées. Par conséquent, les plans de gestion de la croissance, qui créent des attentes publiques en rapport aux projets d'aménagement, comportent parfois une liste de projets d'immobilisations excédant le cadre des fonds disponibles pour les réaliser.
2. Suivant nos entretiens avec le personnel du Service de l'urbanisme et de la gestion de la croissance de la Ville d'Ottawa et après notre examen des projets liés à la croissance, nous avons trouvé que la Ville d'Ottawa se conformait à toutes les dispositions de la *Loi de 1997 sur les redevances d'aménagement* en ce qui

⁴ Ville d'Ottawa 2011, Budget 2011: Budget de fonctionnement et d'immobilisations (2011) page 12.

a trait au calcul des redevances d'aménagement utilisé pour la budgétisation des projets d'immobilisations liés à la croissance que nous avons examinés.

3. L'étude préliminaire des redevances d'aménagement de la Ville d'Ottawa a justement pris en compte toutes les déductions requises en vertu de la *Loi sur les redevances d'aménagement* pour l'ensemble des services auxquels s'appliqueront les taux de redevances d'aménagement. Cependant, nous avons constaté que les justifications pour soutenir les hypothèses utilisées pour déterminer ces déductions ne sont pas documentés de façon uniforme et constante. Par exemple, le volet avantage de l'aménagement existant (AAE) des routes et services connexes est soutenu par les études sur la circulation qui analysent l'utilisation des routes en fonction du volume et de la capacité (V-C) mais le volet AAE des principales installations récréatives intérieures de la Ville contient peu d'informations pour justifier l'estimation des avantages de l'aménagement existant de ces installations.
4. Au cours du processus d'élaboration de l'étude préliminaire des redevances d'aménagement, on a beaucoup consulté le Comité de l'urbanisme et de l'environnement et les principaux intervenants, notamment des promoteurs et le public. Un groupe d'intervenants extérieurs concernés par les redevances d'aménagement et un comité parraineur du *Règlement sur les redevances d'aménagement* ont également été créés pour solliciter les commentaires des intervenants et voir à la mise à jour du *Règlement sur les redevances d'aménagement*. Le public, les principaux intervenants et les membres du Conseil qui siègent au Comité de l'urbanisme et de l'environnement ont tous l'occasion de poser des questions et de fournir des commentaires sur les projets à inclure et sur la procédure pour calculer les taux des redevances d'aménagement. Le processus en vigueur pour déterminer les projets d'immobilisation liés à la croissance et pour estimer les taux de redevances d'aménagement est documenté, consultatif et transparent.
5. Dans le cadre du processus budgétaire annuel, le personnel du Portefeuille des opérations municipales et le personnel du Portefeuille des Services d'infrastructure et de la viabilité des collectivités, avec l'aide d'employés de l'Unité des services financiers, établiront la priorité des projets d'immobilisations liés à la croissance pour la prochaine année financière. Les employés prendront en compte le moment où le projet devrait commencer selon l'étude préliminaire des RA, les plans de gestion de la croissance ou les programmes d'immobilisations et considéreront également l'enveloppe financière attribuée à ces projets par l'Unité des services financiers. Ils formuleront alors des recommandations pour la mise en œuvre de projets et demanderont au Comité et au Conseil d'autoriser le pouvoir de dépenser dans le cadre du budget provisoire.

6. Pour l'année budgétaire 2011, le budget d'immobilisations total était de 849 210 000 \$ et 46 projets totalisant 327 427 000 \$ faisaient partie de la catégorie croissance. La liste complète des projets d'immobilisations liés à la croissance figure à l'annexe B et la liste complète des projets d'immobilisations non reliés à la croissance se trouve à l'annexe C. Des quelque 327 427 000 \$ budgétés pour les projets liés à la croissance, environ 81 447 000 \$ des coûts seront assumés par les redevances d'aménagement. Toutefois, compte tenu de la complexité des procédures de perception et de dépense des redevances d'aménagement, il n'est pas pratique d'évaluer, quartier par quartier, les dépenses d'immobilisations liées à la croissance. C'est parce que les redevances d'aménagement résidentiel sont calculées sur deux bases, soit à l'échelle panmunicipale et à l'échelle du secteur concerné, pour différents secteurs de services. Les redevances d'aménagement non résidentiel quant à elles sont calculées sur une base panmunicipale uniforme. Ainsi, certains projets sont financés à même les comptes de redevances d'aménagement panmunicipaux, tandis que d'autres projets sont financés à même des comptes de redevances d'aménagement propres à un secteur donné. En 2011, environ 72,4 M\$ (89 %) des dépenses totales de 81,4 M\$ provenant des redevances d'aménagement (RA) proviendront des comptes de RA panmunicipaux, tandis que seulement 9 M\$ (11 %) proviendront des comptes de RA propres à un secteur donné. De plus, bon nombre des projets liés à la croissance indiqués dans la liste se déroulent dans un quartier particulier tout en générant des avantages pour les personnes à l'échelle de la ville. Par exemple, le projet de train léger sur rail (Pré Tunney à Blair) est le plus important projet lié à la croissance du budget 2011 au coût de 148 991 000 M\$. Même si le projet se déroulera dans les quartiers 11, 15 et 17, le TLR générera sûrement des avantages pour les personnes au-delà de ces trois quartiers. Cela étant, une analyse des dépenses d'immobilisations par quartier ne donnerait pas un portrait exact des quartiers profitant réellement du projet.
7. Dans le cadre de cette vérification, nous avons examiné six projets d'immobilisations liés à la croissance totalisant environ 9,9 M\$ pour nous assurer que les projets avaient été budgétés avec exactitude et financés par les sources appropriées. Dans les projets choisis aux fins d'examen, nous avons observé l'uniformité et la constance du processus de sélection et de budgétisation des projets liés à la croissance. Les projets d'immobilisations liés à la croissance examinés figuraient comme il se doit dans l'étude préliminaire des RA et étaient budgétés conformément au ratio croissance/non-croissance déterminé dans l'étude préliminaire des RA à quelques différences près (égales ou inférieures à 5 %). Par exemple, le projet de l'infrastructure cyclable de 2008 était compris dans l'étude préliminaire des redevances d'aménagement de 2004 et était assujéti au ratio croissance/non-croissance de 28/72. Nous avons constaté qu'à l'achèvement du projet, son financement avait respecté le ratio en ce que 28 % de son financement venait des comptes de redevances

d'aménagement et 72 % du fonds de réserve de la Ville affecté à l'immobilisation.

8. Il y avait d'importantes variations entre la demande initiale d'autorisation de dépenser dans le budget annuel et les montants dépensés au moment de l'achèvement du projet dans deux circonstances. Le budget prévu au départ dans le budget d'immobilisations de 2003 pour le projet d'usine de pompage Forest Valley était de 1 M\$. Toutefois, on a demandé un pouvoir de dépenser additionnel de 500 000 \$, qui fut approuvé par le Conseil dans le budget d'immobilisations 2004. Cette autorisation de dépense additionnelle était nécessaire pour accroître la capacité de l'usine et satisfaire aux besoins des densités ciblées accrues déterminées dans le nouveau Plan officiel de la Ville. Le projet de la promenade Terry-Fox (Cope à Eagleson) a aussi exigé des ajustements budgétaires. Au départ, on avait prévu 1,7 M\$ dans le budget d'immobilisations de 2005 pour réaliser ce projet et 4,6 M\$ en financement additionnel devaient provenir de subventions et de transferts de fonds d'autres projets. Cependant, on a demandé 200 000 \$ de plus au Conseil en 2006 pour couvrir les frais de construction additionnels non prévus lors de l'étape de conception et un autre montant de 200 000 \$ a été transféré d'autres comptes de projets en 2009 pour couvrir des frais liés aux ententes d'expropriation.
9. Notre analyse des projets liés à la croissance nous a permis d'observer que les mesures de contrôle mises en place fonctionnaient comme voulu. L'étude préliminaire des RA, les budgets annuels d'immobilisations et les rapports de clôture étaient tous examinés par le comité permanent approprié et approuvés par le Conseil. Les coûts du volet croissance des projets d'immobilisations étaient affectés aux comptes de RA appropriés et conciliés avec les montants des rapports de clôture présentés au comité permanent concerné et approuvés par le Conseil.
10. Nous avons remarqué que l'étude préliminaire des RA de 2009 faisait référence à des « programmes » pour une partie des Routes et Services connexes et de l'Aménagement des parcs plutôt qu'à des projets spécifiques. Les programmes sont différents en ce qu'ils réunissent plusieurs projets similaires sous un nom de programme. Par exemple, dans Routes et Services connexes, il y a le nouveau programme de signalisation de la circulation, lequel est constitué de plusieurs petits projets dont les coûts bruts d'immobilisations sont estimés à 36 604 000 M\$ de 2010 à 2031, avec un ratio de croissance/non-croissance de 79/21. Les programmes donnent au personnel municipal plus de souplesse sur le plan budgétaire, mais comme le partage entre les fonds liés à la croissance et les fonds liés à la non-croissance n'est pas précisé pour chaque projet, il est difficile de faire le suivi des fonds dépensés pour des projets particuliers.
11. L'étude préliminaire des RA de 2009 n'avait pas de liste particulière énumérant les projets d'immobilisations pour les parcs aux fins d'examen et d'approbation

par le Comité et par le Conseil. La vérification a permis de constater qu'en 2010, dans le but d'identifier, de prioriser et d'allouer des parcs selon des priorités, le Service de l'urbanisme et de la gestion de la croissance avait instauré une pratique de prévisions sur quatre ans et dix ans pour les parcs et des projets particuliers connexes. Ces prévisions sur quatre et dix ans sont soumises à la Planification financière et constituent une demande de financement futur sur laquelle s'appuie le Service de l'urbanisme et de la gestion de la croissance pour lancer le processus de budgétisation chaque année. Grâce à la préparation de ces prévisions sur quatre et dix ans pour les parcs, le processus de priorisation est plus transparent. Par contre, les prévisions ne sont pas soumises au Comité ni au Conseil aux fins d'approbation. Dans le cadre de la préparation de l'étude préliminaire sur les RA et du *Règlement sur les redevances d'aménagement*, le directeur général adjoint, soutenu en cela par le Service de l'urbanisme et de la gestion de la croissance, communique régulièrement avec le Comité de l'urbanisme et lui soumet un rapport qui explique comment se fait le calcul des taux des RA. L'information contenue dans ce rapport fournit des renseignements importants sur la méthode de calcul des redevances d'aménagement et elle est présentée au Comité de l'urbanisme aux fins d'examen et pour la recommandation de l'étude préliminaire des RA et du règlement municipal au Conseil. Les conseillers et conseillères qui ne siègent pas au Comité d'urbanisme au moment de l'adoption du *Règlement sur les redevances d'aménagement* ne possèdent pas cette information et, par conséquent, n'ont peut-être pas une connaissance approfondie du financement des projets d'immobilisations liés à la croissance. Étant donné qu'il est important que tous les conseillers et toutes les conseillères comprennent les mécanismes d'élaboration des projets d'immobilisations liés à la croissance, un rapport qui résume de façon globale et complète les principaux facteurs et les hypothèses qui influencent le calcul, la perception et la dépense des redevances d'aménagement et qui présente un juste équilibre entre l'information nécessaire et les détails devrait être produit et distribué à tous les conseillers et conseillères avant la déclaration de la trésorière municipale sur les activités des comptes de redevances d'aménagement.

12. L'étude préliminaire des redevances d'aménagement (RA) de 2009 fournit un calendrier approximatif du moment où les projets seront réalisés et estime les coûts d'immobilisations bruts des projets. Une fois l'étude préliminaire des redevances d'aménagement préparée, des facteurs peuvent surgir qui influenceront le calendrier de réalisation et les coûts estimés d'un projet d'immobilisations lié à la croissance par le temps que l'autorisation de dépenser sera demandée et sera présentée dans le budget annuel d'immobilisations. Par exemple, dans l'étude préliminaire des RA de 2009, on peut indiquer la construction d'une installation récréative en 2010, mais à cause de retards dans l'achat du terrain ou au chapitre de l'évaluation environnementale, il se peut que

le projet ne démarre qu'après son début prévu en 2010. Ces facteurs et les répercussions financières afférentes sur les fonds de RA disponibles et sur les coûts initiaux estimés ne sont pas analysés et présentés au Conseil pour lui fournir un portrait complet de la manière dont les coûts budgétés ont changé au fil du temps.

Recommandations et réponses de la direction

Recommandation 1

Que la Ville examine des possibilités d'inclure le Service des finances dans l'élaboration des plans de gestion de la croissance pour que les discussions entourant l'abordabilité des projets et les sources de financement surviennent tôt dans le processus.

Réponse de la direction

La direction est d'accord avec cette recommandation.

La *Loi sur les redevances d'aménagement* stipule que la Ville devrait examiner « l'abordabilité » des projets pour lesquels des redevances d'aménagement sont perçues.

Les parts croissance/non-croissance sont déterminées pour chaque projet de manière à ce que le Conseil puisse évaluer l'abordabilité du travail. Les besoins en matière de liquidités sont calculés pour que l'inflation, les intérêts et les coûts d'emprunt soient inclus et pour assurer l'équilibre des divers fonds de réserve.

Pendant la prochaine actualisation du Plan officiel de la Ville, le personnel préparera un plan financier qui reflètera la mise à jour des plans directeurs de l'infrastructure de la Ville pour s'assurer de leur conformité au principe selon lequel la croissance paie sa juste part des coûts. On s'attend à ce que ces mesures soient en place au quatrième trimestre de 2013.

Recommandation 2

Que la Ville établisse un niveau de détail et de soutien uniforme pour les hypothèses utilisées dans l'élaboration des budgets liés au financement de la croissance et qu'elle en assure l'application constante.

Réponse de la direction

La direction est d'accord avec cette recommandation.

La direction fournira une analyse sommaire complémentaire comparant le programme d'immobilisations budgété, en se basant sur les principes de financement, à divers éléments énumérés dans l'étude préliminaire des redevances d'aménagement. Cette analyse fera partie d'une séance annuelle de breffage technique au premier trimestre de chaque année (d'autres détails sont fournis dans la réponse de la direction à la recommandation 5).

Les actuels principes de financement relatifs aux redevances d'aménagement sont utilisés comme arguments pour justifier à quel moment les projets liés à la croissance peuvent être déployés. Par définition, les projets qui soutiennent la croissance régulière de la ville doivent être en partie financés par les redevances d'aménagement. Les principes de financement servent à déterminer quand un projet peut être déployé; ils s'appuient sur le moment où le projet est nécessaire dans le cycle d'aménagement global et sur la somme de redevances d'aménagement perçues. Par exemple, le principe de financement lié à la croissance reflété dans les lignes directrices de la Ville pour les services accessoires est que le fonds de réserve ne peut présenter de découvert de trésorerie ou de découvert d'engagement à la date d'abrogation du règlement municipal. En général, les projets liés à des services accessoires ne sont pas nécessaires avant que la majorité de la croissance soit réalisée, de sorte que l'on a perçu suffisamment de fonds liés à la croissance pour défrayer ces projets.

Une enveloppe budgétaire fait également partie des orientations budgétaires; elle sert à déterminer les fonds non liés à la croissance disponibles pour financer les investissements en capital proposés.

Les priorités de financement de la Ville sont indiquées au départ dans l'étude préliminaire des RA, mais elles font ensuite l'objet d'un examen annuel lors de l'élaboration du budget d'immobilisations parce que les revenus à venir dépendent du niveau d'activités en matière d'aménagement durant le cycle de vie de cinq ans du *Règlement sur les redevances d'aménagement*. Les prévisions en matière d'immobilisations sont ajustées pour refléter les conditions économiques ambiantes, le Conseil procédant, en fin de compte, à l'approbation des travaux d'immobilisations admissibles grâce au processus d'approbation du budget annuel et au processus de planification.

La Ville a eu recours à un expert de renom dans le domaine des redevances d'aménagement pour fournir à son personnel l'expertise requise pour actualiser l'étude préliminaire des RA. L'expert en question a rencontré des employés de chaque secteur de services pour examiner avec eux les projets soumis et pour s'assurer que leurs calculs, y compris les avantages de l'aménagement existant (AAE), étaient exacts et correspondaient aux exigences prescrites par la loi.

Recommandation 3

Que la Ville adopte des mesures de contrôle pour faciliter le suivi des volets croissance et non-croissance des projets lorsque leurs budgets sont construits sur la base de programmes.

Réponse de la direction

La direction est d'accord avec cette recommandation.

Dans le passé, on ne fournissait pas de liste de projets individuels dans le cas des programmes pour plusieurs raisons: Il est difficile de prévoir précisément certains coûts à cause de la façon incertaine dont les travaux seront ordonnés; dans certains secteurs, l'aménagement pourrait se dérouler à un moment donné, et la nature et le type de travail que pourrait exiger la Ville comme conditions préalables à l'aménagement pourraient varier.

Dans la majorité des cas, la liste de projets fait partie du budget annuel d'immobilisations, du plan financier à long terme et de diverses études de faisabilité. Par conséquent, le Conseil municipal confirme son intention de répondre à la croissance des besoins en approuvant le programme d'immobilisations décrit dans les documents mentionnés précédemment.

Pour satisfaire pleinement à l'intention de cette recommandation, la direction s'assurera que le niveau d'investissement planifié par type de projet est précisé dans l'étude préliminaire des redevances d'aménagement. Cette mesure sera en place avant la fin du deuxième trimestre de 2014.

Recommandation 4

Compte tenu de la visibilité des parcs, que la Ville présente au Comité ou au Conseil aux fins d'approbation les prévisions sur quatre ans et dix ans d'aménagement des parcs.

Réponse de la direction

La direction est d'accord avec cette recommandation.

Les calculs entourant les redevances liées à l'aménagement des parcs dans l'étude préliminaire des RA de 2009 ne précisaient pas les investissements planifiés par type de projet pour les trois emplacements; toutefois, la modification de 2011 au *Règlement sur les redevances d'aménagement* comportait une liste des parcs projetés jusqu'en 2019. La direction croit que cette mesure satisfait à l'intention de cette recommandation.

Une prévision sur quatre ans des projets individuels d'aménagement de parcs sera soumise au Comité/Conseil aux fins d'approbation dans le cadre de l'élaboration du prochain budget d'immobilisations en 2013. La direction souligne que l'on procède maintenant par projet pour les projets comportant des redevances d'aménagement.

Recommandation 5

Que la Ville prévoie des occasions de fournir des renseignements à tous les conseillers et conseillères sur le calcul, la perception et la dépense des redevances d'aménagement. Cela devrait se faire d'une façon qui résume l'information détaillée et les hypothèses de l'étude préliminaire des RA et permet de se pencher sur la question clé qui est de voir si la croissance s'autofinance comme il se doit et dans la mesure prescrite par la loi.

Réponse de la direction

La direction est d'accord avec cette recommandation et elle a été mise en oeuvre.

Une séance de breffage technique s'est déroulée pour tous les membres du Conseil et les membres de leur personnel le 5 mars 2012 afin de présenter sommairement la politique entourant les redevances d'aménagement. La séance a permis de présenter les grandes lignes de la *Loi sur les redevances d'aménagement*, les diverses étapes requises pour calculer les redevances, des questions de politiques internes et l'impact de la *Loi* sur la capacité de la Ville à financer des projets d'immobilisations liés à la croissance. Des copies de l'étude préliminaire des redevances d'aménagement de 2009 et la présentation ont été mises à la disposition tous les participants. Une mise à jour sera fournie avant la publication de la déclaration de la trésorière municipale (le rapport de la trésorière municipale est soumis tous les ans en avril).

L'annexe accompagnant la déclaration de la trésorière fournit aux conseillers et conseillères le détail de la perception et des dépenses des redevances d'aménagement pour chaque composante de service. Le traitement des fonds de réserve et de leurs soldes décrit dans l'annexe est fondé sur des pratiques municipales communes en Ontario. De plus, à la demande des personnes intéressées, le coordonnateur des programmes leur fournit des renseignements détaillés sur le financement réel des projets, les engagements à réaliser et les fluctuations annuelles de revenus.

Recommandation 6

Que la Ville indique clairement dans le cadre de l'élaboration du budget d'immobilisations les facteurs qui influencent les changements au calendrier et les coûts bruts des projets d'immobilisations entre le moment de l'étude préliminaire des RA et l'autorisation de dépenser.

Réponse de la direction

La direction est d'accord avec cette recommandation.

Une fois qu'une redevance d'aménagement est fixée, la Ville est tenue par la *Loi* de dépenser les redevances d'aménagement perçues pour les projets figurant dans l'étude préliminaire des RA à l'intérieur des échéanciers stipulés. Le

processus d'élaboration du budget d'immobilisations est l'outil qui guide les dépenses de la Ville provenant des comptes de redevances d'aménagement.

Pour établir le prix de travaux futurs et évaluer avec précision le coût des projets liés aux redevances, les estimations de l'étude préliminaire des RA sont fondées sur les prix actuels des soumissions. Par contre, les dépenses réelles pour certaines composantes ne correspondent pas nécessairement aux évaluations de coûts les plus à jour. Ainsi, le coût des projets dépasse parfois les estimations initiales. Étant donné que les redevances d'aménagement sont indexées annuellement en fonction de l'indice des prix de la construction, la responsabilité de la Ville est protégée dans ces situations où les coûts de construction augmentent plus que ce qui avait été estimé au départ pour le projet.

Des écarts subséquents sur le plan de la synchronisation des dépenses correspondant plus exactement aux revenus anticipés peuvent se produire. La viabilité financière de chaque fonds de réserve s'appuie sur des perceptions et prévisions de redevances réelles afin de corriger tout déséquilibre dans les comptes. Des manques à gagner peuvent se produire pour plusieurs raisons, comme des dépassements considérables de coûts par rapport à ce qui avait été indiqué dans l'étude préliminaire des RA, de nouvelles exigences législatives relatives aux travaux ayant pour effet d'augmenter le coût du projet ou d'en modifier le calendrier et la perte de revenu à cause d'un déclin important au chapitre des prévisions de croissance.

La Ville acceptera toutefois que certains fonds de réserve accusent un déficit et elle a effectivement recours à une démarche prévisible et systématique pour la priorisation et le financement de travaux liés à des redevances d'aménagement en fonction des revenus disponibles. Il est important que la Ville établisse la priorité des travaux d'immobilisations non seulement pour assurer une contribution appropriée provenant des redevances d'aménagement, mais aussi pour assurer la disponibilité du montant qui avantage l'aménagement existant. Cette part non liée à la croissance est appliquée à toutes les dépenses d'immobilisations liées à la croissance et doit être financée par les contribuables.

Enfin, tous les cinq ans, la Ville est tenue de mettre à jour, par l'intermédiaire d'un consultant externe, les données démographiques, le nombre de ménages, les coûts des infrastructures et les prévisions de croissance pour les utilisations résidentielles et non résidentielles. Ces données servent ensuite à prévoir, dans les études préliminaires ultérieures, et selon l'horizon de planification, le coût et le calendrier des immobilisations nécessaires pour soutenir la croissance prévue. L'examen et la mise à jour contiennent également des hypothèses concernant l'avantage pour les contribuables actuels et les affectations résidentielles et non résidentielles. Ces hypothèses plus exactes permettent ensuite de mettre à jour les taux des redevances d'aménagement.

Afin d'améliorer les processus en place, le personnel analysera les raisons des écarts dès lors que les dépenses réelles pour un projet d'immobilisations lié à la croissance dépassent de 25 % les estimations originales ou que le calendrier du projet a été devancé par rapport aux prévisions de l'étude préliminaire. Les résultats de l'examen seront présentés par le coordinateur du programme dans le cadre de la séance d'information technique annuelle à l'intention des membres du Conseil. Cette mesure s'appliquera dès le prochain processus de dépôt des rapports, à savoir au premier trimestre 2013.

Domaines d'économies possibles

Actuellement, le Service des finances joue un rôle minime dans l'évaluation de l'abordabilité des projets d'immobilisations liés à la croissance qui sont inscrits dans les plans de gestion de la croissance de la Ville. Une plus grande participation du Service des finances plus tôt dans le processus de planification ainsi qu'une évaluation financière globale favoriseront, en amont, des discussions plus éclairées entre les intervenants sur l'abordabilité des projets et elles auront pour effet d'améliorer l'efficacité dans son ensemble du processus budgétaire pour les projets d'immobilisations liés à la croissance, ce qui permettra, en aval, d'économiser du temps et des ressources.

Conclusion

La vérification a permis de constater que la Ville est dotée d'un processus établi pour la budgétisation des projets liés à la croissance et que les mesures de contrôle mises en place pour la budgétisation du financement de la croissance fonctionnent comme voulu. Toutefois, le processus est complexe, beaucoup de services municipaux y contribuent et il est basé sur plusieurs hypothèses clés. Même si les hypothèses clés sur lesquelles se fonde le calcul des redevances d'aménagement qui financent le volet croissance des projets d'immobilisations sont adéquates et conformes aux exigences de la *Loi sur les redevances d'aménagement*, l'argumentaire utilisé pour soutenir les estimations de chacune des hypothèses clés n'est pas uniforme. Il est par ailleurs possible de mieux résumer et communiquer les renseignements au Conseil et au public sur les hypothèses clés et les facteurs qui influencent le calcul, la perception et la dépense des redevances d'aménagement afin d'atteindre un équilibre satisfaisant entre informations et détails et de satisfaire à l'objectif de transparence.

Remerciements

Nous tenons à remercier la direction pour la coopération et l'assistance accordées à l'équipe de vérification.

1 INTRODUCTION

The Audit of Budgeting for Growth Funding was included in the 2011 Audit Plan of the Office of the Auditor General, approved by Council on April 13, 2011.

2 BACKGROUND

The City of Ottawa budgeting process is guided by the Council-approved fiscal framework which provides a high-level roadmap to sustainable finances. The foundation of the fiscal framework is a set of overarching principles for responsible financial management. The framework serves as guidance and reference to the budgeting process and an accountability and communication tool for Council and residents. The 2006 Development Charge Accounts report outlines the funding principles recommended for the various service categories.

2.1 Overview of the Budget Process

The budget process for 2011 was formally initiated in December 2010 when Ottawa City Council approved the timetable, consultation and budget development process for the upcoming fiscal year. In January 2011, the draft budget, which included draft budgets for each Standing Committee (Finance and Economic Development, Transportation, Planning, Agriculture and Rural Affairs, Environment, Transit Commission, and Community and Protective Services) was tabled for programs supported by property taxation. In February 2011, the Standing Committees held their budget review meetings to hear public delegations, review draft budgets, and recommend a final budget to Council for consideration and adoption and was followed by five public consultations held across the city. Council approved a finalized budget in March 2011. Included in the budget is a forecast for the following two budget years which will outline the key assumptions and their associated risks.

Growth funding is the additional budgetary resource requirement associated with population growth that results in increases to the City's infrastructure/ equipment/ staffing base in order to maintain programs and services at current Council approved service levels.¹ Capital project costs related to growth are captured in the capital budget, also approved by Council, identifying the projects which will be undertaken during the year and how they will be funded. Growth projects are funded in part by the Development Charges Act (DCA), which permits the City to fund the growth portion of new infrastructure required to support new development from a charge levied, in most cases, at the building permit stage. Growth projects undertaken must be identified in the City of Ottawa Development Charges Background Study Report that is prepared every five years and must be prepared pursuant to Section 10 of the DCA. The development of the Development

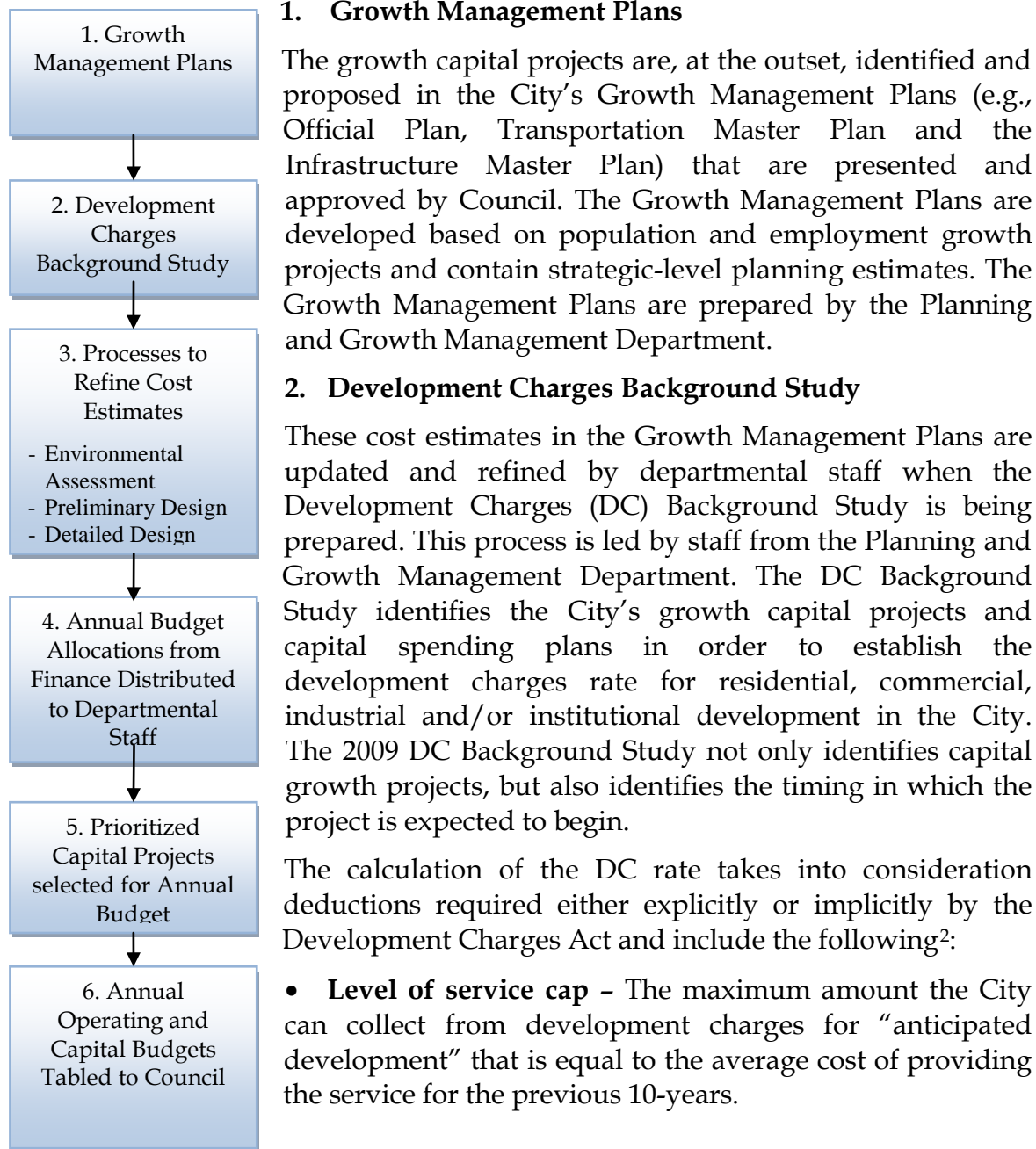
¹ 2011 City of Ottawa, Budget 2011: Operating and Capital Budget (2011) page xxx.

Charges Background Study Report is led by the City's Planning and Growth Management Department.

2.2 Budgeting Process for Growth Funding (Capital Projects)

Below is an illustration that briefly summarizes the budgeting for growth funding process.

Figure 1: Budgeting for Growth Funding Process

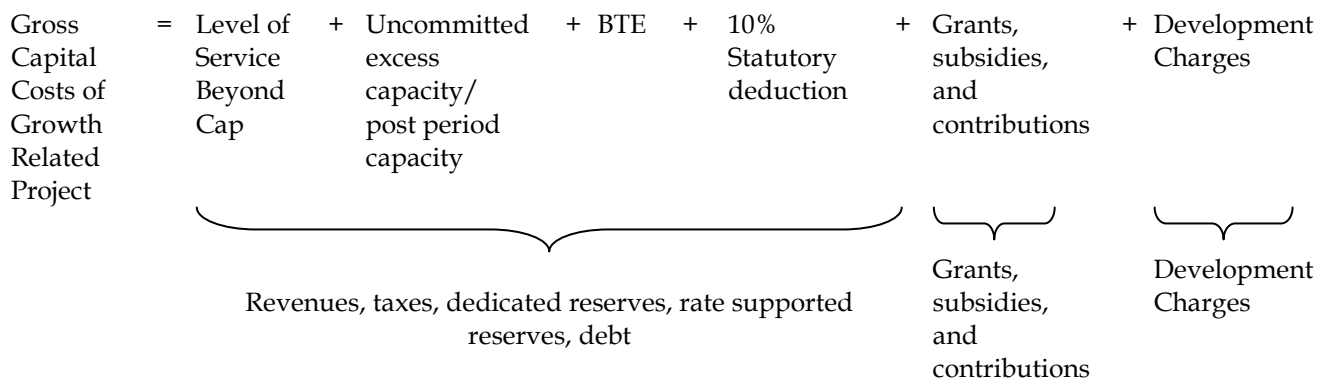


² Please see Appendix A for the Glossary of terms

- **Uncommitted excess capacity** – Available capacity that obviates (part of) the need for new projects.
- **Post period capacity** – The cost of oversized development-related servicing capacity which is not required by development anticipated over the City’s planning period and will clearly benefit development in a subsequent planning period and should therefore be (partially) funded by such subsequent development.
- **Benefit to existing development (BTE)** – The portion of capital projects that is expected to benefit the existing population.
- **Grants, subsidies and other contributions** – The DCA requires capital costs be reduced by any anticipated amount to be received from grants, subsidies developer and other contributions in calculating the development charge rate.
- **The 10% statutory deduction for “soft services”** – The DCA requires a 10% deduction from the capital cost of projects when calculating the development charge rate for non-essential or “soft services.” They include the following: public transit, parks development, major indoor recreation facilities, libraries, child care, paramedic service, vehicles and works yards, and affordable housing.

The portion of capital costs that are not collected from development charges must be funded via other sources such as taxes, rates, debt, grants, subsidies or contributions. The figure below illustrates how growth related capital projects are funded.

Figure 2: Calculation of Growth Capital Costs



Any capital project excepted from development charges as specified in the DC by-law must also be funded by sources other than development charges. The DC rates approved in the DC by-law form the basis for which growth will be paid for over the next five years, at which time the DC Background Study and the City DC by-law is updated.

3. Processes to Refine Cost Estimates

Capital projects identified will be required to undergo one or more of the following: Environmental assessment, preliminary design, or detailed design. Cost estimates are refined as the project moves through each phase with progressively more design work being undertaken. At the end of this process, departmental staff will have a more refined cost estimate for the capital project than existed at the outset.

4. Annual Budget Allocations from Finance Distributed to Departmental Staff

As the City initiates their annual budgeting process, the Financial Planning Unit determines the funding allocation for the upcoming fiscal year based on revenues, reserves, and development charges collected. If growth has occurred at a slower rate than projected and development charges have not been collected, capital projects initially identified need to be adjusted in accordance with the appropriate rate of growth in each area.

5. Prioritized Capital Projects selected for Annual Budget

Departmental staff, with the assistance of the staff in the Financial Services Unit, prioritizes the projects with reference to the Development Charges Background Study, Growth Management Plans and/or Capital Programs. Departmental staff will make recommendations for projects to be initiated and request spending authority for Committee and Council consideration in the draft budget documents. Departmental staff includes all departments in the City Operations Portfolio and Infrastructure Services and Community Sustainability Portfolio that have a role in identifying and budgeting for growth projects.

6. Annual Operating and Capital Budgets Tabled to Council

The draft budget which includes growth allocations will be presented to Council for consideration and adoption.

3 AUDIT SCOPE AND OBJECTIVES

3.1 Audit Objective

The objective of this audit engagement is to assess the extent to which the budgeting approach and process supports fair and transparent allocation of growth funding.

3.2 Audit Scope

For the budget year 2011, the total capital budget was \$849,210,000, of which \$327,427,000 was related to growth³ and is within the scope of this audit.

The scope of the audit included the approach and processes used to budget for growth related capital projects. The audit also examined the communication

³ 2011 City of Ottawa, Budget 2011: Operating and Capital Budget (2011) page 12.

procedures and processes for disseminating budgeting for growth funding information to internal and external stakeholders.

The audit included the approach and process used to plan and identify projects eligible for growth funding, including reviewing the reasonableness of the percentage of costs covered by development revenues. The scope excluded a financial evaluation of the amounts budgeted for these growth projects. The City of Ottawa Development Charges Background Study Report was consulted where necessary to support the assumptions related to the growth component of capital projects examined as part of the audit; however, the Background Study itself was not the subject of the audit.

4 APPROACH

The audit was guided by a formal audit program that scoped out the key processes and controls to be audited in the budgeting for growth funding approach as identified in the Audit Objective and Scope section of the report.

The following activities were carried out:

- **Documentation Review:** Reviewed documents to understand the current approach/process for budgeting for growth.
- **Interviews:** Conducted in-depth interviews to examine the specific aspects of the processes where necessary.
- **Testing:** Selected a sample of capital growth projects to determine if methodology applied was consistent with the methodology described in interviews and documentation and compared budgeting costs to actual costs to validate that funds allocated for growth were sufficient to complete the project as planned.
- **Benchmarking:** Contacted another municipality in Ontario to inform our audit criteria.

5 DETAILED FINDINGS, OBSERVATIONS AND RECOMMENDATIONS

5.1 *Audit Criteria 1*

The City of Ottawa has in place a robust methodology for budgeting for growth funding that is established, updated when necessary and incorporates input from all relevant parties and sources.

The growth related capital projects identified in the Growth Management Plans are prepared by the Planning and Growth Management Department with input from the public, stakeholders, Standing Committees and approval from Council. As a result of these consultations and Council approval, these Growth Management

Plans garner attention and visibility and play a key part in identifying the growth capital projects that are used in the Development Charges Background Study. However, the identification of projects in the Growth Management Plans, at the Official Plan stage, involves limited financial evaluation and do not assess affordability as a key element in the identification of projects. In this phase, projects are identified on the basis of needs given population and employment projections. Implications on funding sources, such as a large increase in development charges, are not considered or communicated and as a result, the Growth Management Plans, which has set public expectations on what is to be developed, may identify a list of capital projects that exceed the potential funds available to execute them.

It was noted that the Planning and Growth Management Department and Finance are in the process of incorporating affordability assessments into their plans and have made progress in doing so with the Transportation Master Plan. This will better facilitate discussions around cost and funding earlier in the identification and planning process of growth related capital projects.

The projects identified in the Growth Management Plans are then carried forward into the DC Background Study to determine the DC rate that will be applied in the DC by-law. The determination of development charges is subject to the Development Charges Act that specifies the services eligible and ineligible to development charges as well as the considerations that need to go into the calculation of the development charges rate. In interviews with City of Ottawa staff from the Planning and Growth Management Department and through our testing of growth projects, we found the City of Ottawa compliant with all clauses of the Development Charges Act, 1997 relevant to calculating development charges that were utilized in budgeting for the growth capital projects examined. The DCA specifies that the following considerations must be identified and deducted in the calculation of capital costs recoverable from development charges:

- Level of service cap
- Uncommitted excess capacity/post-period capacity
- Benefit to existing development (BTE)
- Grants, subsidies and other contributions
- The 10% statutory deduction for “soft services.”

The DC by-law identifies 16 services that will be subject to development charges, each one must incorporate the deductions required by the DCA. The City of Ottawa Development Charges Background Study, prepared by Planning and Growth Management, has appropriately considered each of these deductions in all the services in which it intends to apply the development charge rate. However, it was identified that the rationale to support the assumptions used to estimate these deductions are inconsistently documented.

The assumptions used to calculate the level of service and uncommitted excess capacity/post period capacity are well documented and supported by appropriate data analysis relevant to the service, including the analysis of the historical 10 average level of service from 1999-2008. The 10% statutory deduction was also appropriately documented and cited the relevant DCA clause when applied.

Each service clearly documented the amounts estimated for the benefit to existing development and grants, subsidies and other contributions. However, the presence of a documented rationale or justification of the estimate for benefit existing development was not consistently presented. Some services provide a detailed rationale for each percentage used to estimate BTE, while others simply restate what the BTE percentages were without any justification. For example the BTE component of road and related services is supported by traffic studies that analyze road usage by volume and capacity. The BTE component of major indoor recreation facilities provides limited data to support the justification of the estimated BTE component of facilities. Similarly, the assumptions for grants, subsidies, and other contributions are inconsistently documented. Direct developer contributions are netted out of gross project costs so no indications of specific amounts of contributions exist. In the instance of transit, broad estimates are made that assume federal and provincial subsidies will be available, which may not be the case.

During the development process of the DC Background Study, extensive consultation occurred. The Planning and Environment Committee as well as key stakeholders, including developers and the public, were part of the consultation process and staff from the Planning and Growth Management Department are made available to answer any questions at Committee meetings as they arise. In addition, a Development Charge External Stakeholders' Group and a Development Charges By-law Sponsor Committee (Sponsor Committee) was established as a mechanism to solicit input from stakeholders and guide the update of the DC by-law. The Development Charge External Stakeholders' Group included the Greater Ottawa Home Builders' Association, Building Owners and Managers Association of Ottawa, the Federation of Community Associations, representatives of community associations, additional developers and consultants. The process used to identify growth related capital projects and estimate development charges rates is documented, consultative, and transparent. The public, key stakeholders and Council members on the Planning and Environment Committee are all provided an opportunity to ask questions and provide input in the identification of projects and the calculation process for the development charge rate.

The 2009 Development Charges Background Study contains the year in which the growth related capital project is estimated to begin. As part of the annual budgeting process, departmental staff from the City Operations Portfolio and Infrastructure Services and Community Sustainability Portfolio, with the assistance of the staff in the Financial Services Unit, will prioritize the growth capital projects for the upcoming fiscal year. Departmental staff will take into consideration when the

project was scheduled to begin with reference to the Development Charges Background Study, Growth Management Plans and/or Capital Programs and will also consider the funding envelope provided to them by the Financial Services Unit. Departmental staff will then make recommendations for projects to be initiated and request spending authority for Committee and Council consideration in the draft budget.

For the budget year 2011, the total capital budget was \$849,210,000, of which 46 projects totalling \$327,427,000 were categorized as growth. A full list of growth capital projects can be found in Appendix B and full list of non-growth projects can be found in Appendix C. Of the \$327,427,000 budgeted cost for growth projects, approximately \$81,447,000 will come from development charges funding. However, given the complexities of how development charges are collected and spent, it is not practical to assess growth related capital spending on a ward-by-ward basis. This is because residential development charges are collected on a mix of city-wide and area-specific basis for different service areas, while non-residential development charges are calculated on a uniform city-wide basis. As a result, some projects are funded from the DC city-wide accounts; while other projects are funded from the DC area-specific accounts. In 2011, approximately \$72.4 million (89%) of the total \$81.4 million spending from development charges will be drawn from city-wide DC accounts, while only \$9 million (11%) of development charges will be from area-specific DC accounts. Additionally, many of the growth projects listed are located in a specific ward but will provide benefits to individuals across the city. For example, the Light Rail Transit (LRT) (Tunney's to Blair) project is the largest growth project identified in the 2011 budget with a cost of \$148,991,000. Although it will be located in wards 11, 15, and 17, the LRT will certainly benefit individuals beyond those three wards. As such, an analysis of the capital spending by ward would not yield an accurate portrayal of the wards truly benefiting from the project.

The audit also examined six growth related capital projects totalling approximately \$9.9 million to ensure projects were budgeted accurately and funded by the appropriate sources. The projects selected for examination included the following:

- 904253 - 2008 Cycling Facilities Program
- 902401 - Baroness Park
- 904800 - Timm and Eagleson
- 903512 - Arterial Transit Priority Measures
- 902199 - Forest Valley Pumping Station
- 903190 Terry Fox Drive (Cope to Eagleson)

In examining these projects, it was identified that the growth related projects followed a consistent identification and budgeting process. The growth capital projects examined were appropriately identified in the DC Background Study and

were budgeted in accordance with the growth/non-growth ratios identified in the DC background study with minor (equal to or less than 5%) differences. For example, the 2008 Cycling Facilities Program project was identified in the 2004 Development Charges Background Study and was subject to a growth/non-growth ratio of 28/72. It was observed that at the completion of the project, project financing was consistent with the ratios identified with 28% of funding drawn from development charge accounts and the remaining 72% from the city wide capital reserve fund.

Significant variances existed from the original spending authority requested in the annual budget from the amount spent at the time of project closure in two instances. The Forest Valley Pumping Station project was originally budgeted for \$1,000,000 in the 2003 capital budget; however, an additional spending authority of \$500,000 was requested and approved by Council in the 2004 capital budget. The additional authority was required to expand capacity and meet the needs of increased target densities identified in the City's New Official Plan. The Terry Fox Drive (Cope to Eagleson) project also required budget adjustments. \$1.7 million was originally committed to the project from the 2005 capital budget with \$4.6 million of additional funding coming from subsidies and transfer of fund from other projects. However, an additional \$200,000 was requested from Council in 2006 to cover additional construction costs not foreseen at the design stage and an additional \$200,000 was transferred from other project accounts in 2009 to cover expropriation settlement costs.

Recommendation 1

That the City examine opportunities to include Finance in the development of growth management plans in order to allow discussions on affordability and sources of funding to occur early in the process.

Management Response

Management agrees with this recommendation.

The *Development Charges Act* stipulates that the City should examine the "affordability" of the projects for which development charges are being collected.

Growth/non-growth shares are established for each project so that Council can assess the affordability of work. Cash flow requirements are calculated so that inflation, interest and borrowing costs are included to keep the various reserve funds in balance.

During the next update of the Official Plan, staff will develop a financing plan to reflect the City's updated infrastructure master plans to ensure consistency with the principle that growth pays its fair share of costs. It is anticipated that this will be completed by Q4 2013.

Recommendation 2

That the City establish a standard level of detail and support for all assumptions used in the budgeting for growth funding, and ensure that it is consistently applied.

Management Response

Management agrees with this recommendation.

Management will provide an additional summary analysis comparing the budgeted capital program, based on the funding principles, to various items listed in the Development Charges Background Study. This will be provided as part of an annual technical briefing in Q1 of each year (further detail is provided in the management response to Recommendation 5).

The current development charge funding principles are used as the underlying rationale behind when growth projects can proceed. By definition, projects that support the city's on-going growth are required to be partially funded by development charges. The funding principles determine when a project can proceed based on when it is required in the overall development cycle and on the amount of development charges that have been collected. For example, the growth-related funding principle reflected in the City's guidelines for soft services is that the reserve fund account cannot be in either a cash or commitment deficit at the end of the term of the By-law. In general, soft-service related projects are not required until a majority of the growth is in place and therefore sufficient growth-related funding has been collected to pay for the projects.

A funding envelope is also established as part of the budget directions report, which is used to determine the amount of non-growth related funding available in order to finance the proposed capital investments.

While the City's funding priorities are initially established in the Background Study they are then subject to annual review during the capital budget process because future revenues are dependent on the level of development activity in the city over the five-year life of the Development Charges By-law. Appropriate adjustments to the capital forecast are made to reflect prevailing economic conditions with Council ultimately approving the eligible capital works through the annual budget approval and planning process.

The City used the foremost expert in development charges to provide staff with the expertise required to update the Background Study. This individual met with staff from each service area to review project submissions and to ensure that their calculations, including 'benefit to existing' (BTE), were completed correctly based on the legislative requirements.

5.2 Audit Criteria 2

Controls are in place to ensure the accurate estimation, tabulation and collation of growth funding information.

The identification and budgeting process for growth related capital projects has in place the following key controls:

- Growth capital projects funded by development charges must be identified in the DC Background Study and must be reviewed by the Planning and Environment Committee and approved by Council.
- The spending authority for growth capital projects in the annual budget involves the input of Finance and departmental staffs to ensure funds are available and estimates are reasonable. The capital budget is reviewed by Standing Committees and approved by Council.
- Spending is tracked by Finance in SAP and at the completion of the project, a Closure Report is issued that contains information on the net authority, net actuals and funding sources. The Closure Report is presented to the relevant Standing Committee and is approved by Council.

Through our testing of growth projects, we observed that the controls in place were operating as intended. The DC Background Study, annual capital budgets and Closure Reports were all reviewed by the appropriate Standing Committees and approved by Council. The growth portion of the capital project was charged to the appropriate development charges account and reconciled with the amounts in the Closure Reports presented to Standing Committees and approved by Council. In instances where the project was subject to area specific charges, the funds were charged appropriately to the area account and in the correct proportions to each of the areas (e.g., inside Greenbelt, outside Greenbelt, and Rural).

It was noted that the 2009 DC Background Study contained “programs” for a portion of Roads and Related Services and for Parks Development rather than specific projects. Programs are different in that they group several like projects together under one program name. For example, Roads and Related Services contains a New Traffic Control Signal Program that is made up of several smaller projects with a total estimated gross capital cost of \$36,604,000 from 2010-2031 with a growth/non-growth ratio of 79/21. Programs provide departmental staff with budgeting flexibility so that funds can be reallocated to similar projects should some go over or under the estimated budget. However, this practice makes tracking funds to specific projects difficult since the specific growth/non-growth funding split are not identified for each project.

The audit included one park in the sample testing, as the issue of how parks are allocated was raised during the planning phase of the audit. Funding for parks development was previously collected on a city-wide basis; however, development charges for parks are now collected on an area specific basis. The 2009 DC

Background Study did not include a specific list of parks capital projects for Committee and Council to review and approve. The audit found that a 4 and 10 year forecast for parks, listing specific parks projects, has since been established in 2010 by the Planning and Growth Management Department to identify, prioritize and allocate parks based on priority. The 4 and 10 year forecasts of parks are submitted to Financial Planning and functions as a request for future funding envelopes from which the Planning and Growth Management staff begin the budget process every year. The preparation of the 4 and 10 year forecasts of parks puts in place a more transparent prioritization process of parks allocation; however, the forecasts are not submitted to Committee or Council for approval.

Recommendation 3

That the City put in place controls to facilitate tracking of growth and non-growth portions of projects where budgeting is done on the basis of programs.

Management Response

Management agrees with this recommendation.

In the past, a specific listing of individual projects was not provided in the case of programs for several reasons: it is difficult to be precise in forecasting some of the costs given the uncertain nature of the way in which the work will be constructed; certain areas might be brought forward for development at any particular time; and the nature and type of work that the City might require as a prerequisite of development may vary.

In most cases, this project listing is identified in the annual capital budget document, Long Range Financial Plan, and various feasibility studies. Therefore, City Council confirms its intention that the increase in need will be met through approval of the capital program envelope outlined in the above-referenced documents.

In order to fully meet the intent of this recommendation, management will ensure that the planned level of investment by project type be provided in the Development Charges Background Study. This will be completed by the end of Q2 2014.

Recommendation 4

Given the visibility of parks, that the City present the 4 and/or 10 year forecasts of parks development to Committee or Council for approval.

Management Response

Management agrees with this recommendation.

The 2009 Development Charges Background Study calculation of the Parks Development component of the charge did not set-out the planned investment by project type for the three area locations; however, the 2011 Development

Charges by-law amendment did provide a specific listing of planned parks until 2019. Management believe this meets the intent of this recommendation.

A four-year forecast for individual Parks Development projects will be brought forward to Committee/Council for approval as part of the next capital budget process in 2013. Management notes that this is now being done on a project basis for development charge projects.

5.3 Audit Criteria 3

The budgeting process for growth funding is well documented and communicated to all stakeholders.

The Development Charges Background Study is the key document used to determine the growth portion of capital projects that will be funded by development charges. The DC Background Study provides detailed information on each of the 16 services in which development charges can be charged including the numerous assumptions and factors that impact the calculation. The complexity and depth of information in the Development Charges Background Study make the information difficult to understand for the average reader.

The City of Ottawa Planning Committee has the responsibility to review and make recommendations to Council on all issues pertaining to the Development Charges Act and the enactment of the Development Charges By-law. As a result, the Committee communicates regularly with staff from Planning and Growth Management during the development of the DC Background Study. As part of this process, the Deputy City Manager, supported by the Planning and Growth Management Department submitted a Tabling of Preliminary Development Charges Analysis Report that summarizes how the development charge rate is calculated. This report contained high level information on assumptions and analysis, calculation methodology, a summary of the net growth-related capital program, other issues, legal/risk implications, and financial implications. The report also summarized the total cost of growth related capital projects over the next 22 years as \$6.6 B with approximately \$2.4 B of the total capital requirement generated from the proposed development charges rate. However, a key issue that was frequently brought up in Councillor discussions was whether the DC Background Study was adequately applying the guiding principles related to growth appropriately: that growth should pay for itself to the full extent provided by legislation. To improve the clarity of this message, the report could have also contained a summary explaining each of the required deductions imposed by the Development Charges Act as well as the overall cost associated with the legislated deduction that account for the approximate \$4.2 B gap in funding between total capital project cost and costs funded from development charges.

The information found in this report contains key information on how the development charges are calculated, and is presented to the Planning Committee

for their review and recommendation to Council of the Development Charges Background Study and By-law. Councillors that do not sit on the Planning Committee at the time the Development Charges by-law is being passed do not have this information presented to them and as a result, may not be as knowledgeable in the area of funding for growth related capital projects. Given the importance of the development of growth capital projects to all Councillors, a report that summarizes the key assumptions and factors that influence the calculation, collection, and spending of development charges in a comprehensive manner that presents an appropriate balance of information and detail should be provided and made easily accessible to all Councillors prior to the City Treasurer's Statement on Development Charge Reserve Fund Activity.

The 2009 DC Background Study provides an estimated timeline of when projects are to be executed and estimates the gross capital cost of projects. Once the DC Background Study has been prepared, factors may impact the timing and estimated cost of a growth related capital project by the time spending authority is requested and presented in the annual capital budget. These factors include the rate of growth that has occurred for which development charges have been collected, issues identified from the environmental assessment, detailed design, and economic conditions that impact the value of the contract when it is tendered. For example, the 2009 DC Background Study may identify a recreation facility to be construction in 2010; however, due to delays in acquiring land or the environmental assessment, the project may not be able to begin until after the projected timeline of 2010. These factors and the associated financial implications on the DC funds available and original estimated cost are not analysed and presented to Council to provide a complete picture of how the budgeted costs have changed over time.

Recommendation 5

That the City identify opportunities to provide information on the calculation, collection, and spending of development charges to all Councillors. This should be provided in a manner that summarizes the detailed information and assumptions in the DC Background Study to address the key issue of whether growth appropriately pays for itself to the full extent provided by legislation.

Management Response

Management agrees with this recommendation and it has been implemented.

A technical briefing was provided to all members of Council and their staff on March 5, 2012, which summarized the current Development Charges Policy Framework. Included in the briefing session was an overview of the *Development Charges Act*, the various steps required in calculating the charges, internal policy issues and the impact the legislation has on the City's ability to fund growth-related capital projects. Copies of the 2009 Development Charge Background Study, as well as the presentation, were made available to all of the participants.

An update will be provided prior to the release of the Treasurer's Statement (the Treasurer's Report is provided annually in April of each year).

The schedule contained in the Treasurer's Statement provides detailed information that summarizes the yearly collection and spending for each service component for Councillors. The treatment of reserve fund balances outlined in the schedule is based on widespread municipal practice in Ontario. In addition, detailed information outlining actual project funding, outstanding commitments and yearly revenue fluctuations are available upon request from the Program Co-ordinator.

Recommendation 6

That the City clearly identify the factors that contribute to changes in timing and gross capital project costs between the DC Background Study and the approval for spending authority as part of the capital budgeting process.

Management Response

Management agrees with this recommendation.

Once a development charge is in place, there is a legislative obligation on the part of the City to spend its development charge receipts on the projects listed in the Background Study within the timelines stipulated. The capital budget process is the tool by which the City is guided in its expenditures of development charge money.

The Background Study estimates were based on current tender prices in order to establish the cost of future works and provide an accurate costing for projects included in the charge. However, actual expenditures on certain components may not reflect the most up-to-date costs resulting in projects exceeding original estimates. Since development charges are indexed annually by the construction price index, this protects the City's liability in situations where construction costs increase more than the initial project estimate.

There may also be subsequent deviations in the timing of expenditures to more accurately reflect anticipated revenues. The financial viability of each reserve fund is based upon actual collections and projections in order to smooth out any cash imbalances in the account. Shortfalls may occur for several reasons such as: substantial overruns on project costs that were identified in the background study; new legislative requirements for works increasing project costs or altering timing; and loss of revenue due to any significant decline in growth projections.

The City will, however, accept deficit positions in some reserve funds and does use a predictable and systematic approach to prioritizing and funding development charge works based on available revenues. It is important for the City to prioritize capital works to not only ensure the appropriate contribution from development charges but also ensure the availability of the amount

benefiting existing development. This non-growth share is applied to all growth-related capital expenditures and must be funded by taxpayers.

Finally, the City is required, every five years, to conduct an update through an external consultant of the City's population, household, infrastructure costing, and growth projections for residential and non-residential land use. These numbers are then used for forecasting in any subsequent background study, over the planning horizon, the expected cost and timing of capital requirements required to support the planned level of growth. The review and update also include assumptions regarding benefit to existing taxpayers and residential and non-residential allocations. The development charge rates are then updated based on these more accurate assumptions.

In order to enhance our current processes, if actual expenditures on a particular growth-related capital project are greater than 25% of the original estimate or if the project timing has been advanced from what is shown in the Background Study, staff will conduct an analysis of the reasons for the differences. The results of the review will be available from the Program Co-ordinator as part of the annual technical briefing for Councillors. This will be done for the next reporting process in Q1 2013.

6 AREAS OF POTENTIAL SAVINGS

Currently, Finance has limited input in assessing affordability of the growth capital projects identified in the City's Growth Management Plans. The involvement of Finance in a greater capacity at an earlier stage of the master planning process, along with an overall financial evaluation, will result in more informed stakeholder discussions on affordability upfront and will improve the efficiency of budgeting process for growth capital projects as a whole, resulting in potential savings in time and resources downstream.

7 CONCLUSION

The audit found that the City has in place an established process for budgeting for growth related projects, and the controls in place for the budgeting of growth funding information were operating as intended. However, the process is complex, with input from many departments within the City and is based on a number of key assumptions. While the key assumptions used to calculate development charges which fund the growth portion of capital projects are appropriate and consistent with the legislated requirements in the Development Charges Act, the documentation of rationale used to support the estimates for each of the key assumptions is inconsistent. There are opportunities to improve the summary and communication of information on the key assumptions and factors that influence the calculation, collection, and spending of development charges to City Council and the public so that an appropriate balance of information and detail is achieved and the objective of transparency is met.

8 ACKNOWLEDGEMENT

We wish to express our appreciation for the cooperation and assistance afforded the audit team by management.

APPENDIX A: GLOSSARY

Level of service cap – Paragraph 4 of subsection 5(1) of the DCA, 1997 states that the estimate of the increase in the need for service attributable to the anticipated development, made under paragraph 2 must not include an increase that would result in the level of service exceeding the average level provided in the City over the 10 year period preceding the preparation of the background study. For example, in the case of parks development, the level of service cap is calculated using the following method:

$$\frac{10 \text{ year average of Hectares of Parks per } 1,000 \text{ persons} \times \text{Cost of a Hectare}}{1,000 \text{ persons}} = \text{Level of Service per capita}$$

Level of Service per capita x Forecasted Population = Level of Service Eligible for DC Amount **Uncommitted excess capacity** – Paragraph 5 of s.s. 5(1) of the DCA, 1997 requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the City’s “excess capacity”, other than excess capacity which is “committed”, i.e., where Council has indicated a clear intention that it would be paid for by DCs or other similar charges, before or at the time the capacity was created (s.5 of O.Reg. 82/98).

Post period capacity – This requirement is implicit in s.s.5(1)2 of the DCA, which requires the charge to be based on “the increase in the need for service attributable to the anticipated development...” It refers to the cost of oversizing development-related serving capacity which is not required by development anticipated over the City’s planning period, which will clearly benefit development in a subsequent planning period and should therefore be (partially) funded by such subsequent development.

Benefit to existing development (BTE) – Paragraph 6 of s.s. 5(1) of the DCA, 1997 requires the charge to “be reduced by the extent to which an increase in service to meet the increased need would benefit existing development.” This deduction is service and project specific and relates to the amount that could be reasonably be attributed to the population and development that is already in place.

Grants, subsidies and other contributions – s.s.5(2) of the DCA states “the capital costs, determined under paragraph 7 of subsection (1), must be reduced, in accordance with the regulations, to adjust for capital grants, subsidies, and other contributions made to a municipality or that the Council of the municipality anticipates will be made in respect of the capital costs.”

The 10% statutory deduction for “soft services” – Paragraph 8 of s.s. 5(1) of the DCA requires that, “the capital costs must be reduced by 10 percent.” In other words, the DCA requires a 10% deduction from the capital cost of projects when calculating the development charge rate for non-essential or “soft services.” The

City services that the 10% reduction applies to are parks, recreation, libraries, transit, EMS and (some) growth studies and any related financing costs pertaining to these services.

APPENDIX B: 2011 BUDGET - GROWTH CAPITAL PROJECTS

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905971 Rural Water Supply Requirements - 2011	Fire Services - Rural	Growth	5,6,19,20,21	80
903142 Ottawa East Fire Station	Fire Services	Growth	2	300
902168 Indoor Pools - Growth (OSGB)	Parks, Recreation & Culture	Growth	19	2,000
903614 Goulbourn Recreation Complex Icepad Twinning	Parks, Recreation & Culture	Growth	6	300
903624 Barrhaven South Complex	Parks, Recreation & Culture	Growth	3	4,800
904697 New Community Buildings	Parks, Recreation & Culture	Growth	22	130
905898 Parks Growth 2011 - OSGB (Broughton Park)	Parks, Recreation & Culture	Growth	4	254
905898 Parks Growth 2011 - OSGB (Harris Lands Woodlot)	Parks, Recreation & Culture	Growth	6	173
905898 Parks Growth 2011 - OSGB (Soho Park (Phase 1))	Parks, Recreation & Culture	Growth	23	491
905898 Parks Growth 2011 - OSGB (Chapman Mills - Main Street Park)	Parks, Recreation & Culture	Growth	22	247
905898 Parks Growth 2011 - OSGB (Half Moon Bay CP)	Parks, Recreation & Culture	Growth	3	350
905898 Parks Growth 2011 - OSGB (Bradley Ridge Park (top-up))	Parks, Recreation & Culture	Growth	2	70
905898 Parks Growth 2011 - OSGB (Chaparral Park)	Parks, Recreation & Culture	Growth	19	373
905898 Parks Growth 2011 - OSGB (Cardinal Creek Park 18B Phase II)	Parks, Recreation & Culture	Growth	1	300
905898 Parks Growth 2011 - OSGB (Rancourt Park)	Parks, Recreation & Culture	Growth	19	70
905898 Parks Growth 2011 - OSGB (Berrigan Woods)	Parks, Recreation & Culture	Growth	3	20
905898 Parks Growth 2011 - OSGB (Pine Vista Park)	Parks, Recreation & Culture	Growth	1	30
905898 Parks Growth 2011 - OSGB (Celeste Park)	Parks, Recreation & Culture	Growth	19	73

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905898 Parks Growth 2011 - OSGB (Greely Park South Village)	Parks, Recreation & Culture	Growth	20	65
906159 New Park - Growth 2011 (Hunt Club Gate)	Parks, Recreation & Culture	Growth	10	150
904297 Kanata West Transmission Mains	Drinking Water Services	Growth	4	280
904979 Barrhaven Res Pump Upgrades	Drinking Water Services	Growth	9	330
904981 3C/2W Pressure Zone Separation	Drinking Water Services	Growth	CW	450
905992 Manotick Supply Watermain	Drinking Water Services	Growth	21	350
905430 Off Site Reliability Links	Drinking Water Services	Growth	CW	111
903300 Signature Ridge P. Sta. & Forcemain	Wastewater Services	Growth	4	718
903346 Kanata West Sewer O/S	Wastewater Services	Growth	4	500
904985 North Kanata Sewer Ph 2	Wastewater Services	Growth	13	600
904987 Fernbank Sanitary Sewer	Wastewater Services	Growth	23	1,000
905423 Riverside S Community Sanitary	Wastewater Services	Growth	22	298
905993 Richmond Village Stormwater Retrofit	Wastewater Services	Growth	21	185
905176 LRT (Tunney's to Blair)	Transit Services-FEDCO	Growth	11,15,17	148,991
905384 Development Charge Bylaw Review 2014	Planning & Development	Growth	CW	150
905455 2011 Traffic Incident Management	Transportation Services	Growth	CW	475
905456 2011 Advanced Traffic Management Program (Traffic Cameras)	Transportation Services	Growth	3,11,14,18	150
905456 2011 Advanced Traffic Management Program (Replace/upgrade existing cameras)	Transportation Services	Growth	CW	50
905456 2011 Advanced Traffic Management Program (Add intersections to computerized control system)	Transportation Services	Growth	1,9,10,14,15	150

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905456 2011 Advanced Traffic Management Program (Modification to computerized traffic signal control system to improve responsiveness to traffic incidents.)	Transportation Services	Growth	multiple	50
905456 2011 Advanced Traffic Management Program (Implement & test non-intrusive vehicle and pedestrian detection units.)	Transportation Services	Growth	CW	75
906129 2011 Vehicle & Equipment Public Works	Transportation Services	Growth	CW	2,060
906132 2011 New Traffic Control Signals (Pre-engineering)	Transportation Services	Growth	CW	300
906132 2011 New Traffic Control Signals (Eagleson at Flewellyn)	Transportation Services	Growth	21	650
906132 2011 New Traffic Control Signals (Bank St at Kemp)	Transportation Services	Growth	10	300
906132 2011 New Traffic Control Signals (Jeanne d'Arc at Montcerf)	Transportation Services	Growth	2	500
906132 2011 New Traffic Control Signals (Navan at Page)	Transportation Services	Growth	2	640
906132 2011 New Traffic Control Signals (Apple Orchard/Parkway at Stagecoach)	Transportation Services	Growth	20	60
904384 Maple Grove Facility Replacement & Expansion	Transportation Services	Growth	CW	85
905481 Winter Material Storage Facility -Growth	Transportation Services	Growth	CW	250
905483 Rideau Valley Snow Disposal Design&Const	Transportation Services	Growth	CW	550
906133 2011 Safety Improvement Program (Safety network screening)	Transportation Services	Growth	CW	75
906133 2011 Safety Improvement Program (Various Locations - Improving roadway friction - asphalt application)	Transportation Services	Growth	CW	150

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906133 2011 Safety Improvement Program (Various Locations -Pre-engineering/Design/Studies)	Transportation Services	Growth	CW	365
906133 2011 Safety Improvement Program (Hunt Club Road -In-Service Road Safety Review-Bank St/Hunt Club Rd Traf Impro)	Transportation Services	Growth	10,16	95
906133 2011 Safety Improvement Program (Hunt Club Road - In-Service Road Safety Review-Albion Rd/Hunt Club Rd Smart Cha)	Transportation Services	Growth	10,17	125
906133 2011 Safety Improvement Program (OR 174 Two Lane Road Segment - In-Service Road Safety Review-Intersections ReconfigDesign)	Transportation Services	Growth	1	150
906133 2011 Safety Improvement Program (Various Locations - Signs, Signals, Markings & Minor Rd Mod)	Transportation Services	Growth	CW	90
906142 2011 On Street Facility Expansion	Transportation Services	Growth	CW	350
900635 Alta Vista Corridor (Riverside-Hospital)	Transportation Services	Growth	18	5,000
903171 Greenbank Rd (Malvern to Strandherd)	Transportation Services	Growth	3	5,000
903176 Hunt Club(Russell/Hwy 417)	Transportation Services	Growth	10	64,000
903178 Jockvale Rd (Jock River-Prince of Wales)	Transportation Services	Growth	3	2,000
903188 St Joseph Blvd (Tenth Line - Dairy Rd)	Transportation Services	Growth	1	3,000
903211 Mer Bleue Road (Innes to Navan)	Transportation Services	Growth	2,19	4,500
905000 Strandherd (Fallowfield to Jockvale)	Transportation Services	Growth	3	200
905215 Trim Rd (Ott Rd 174 to Innes)	Transportation Services	Growth	1,19	5,000
905396 2011 EA Studies Arterial Roads	Transportation Services	Growth	CW	1,500

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905922 2011 Transportation Demand Management	Transportation Services	Growth	CW	200
905925 2011 Cycling Facilities Program (Western Cycling Corridor - Phase 1 - Scott Street - Bike Lanes)	Transportation Services	Growth	15	250
905925 2011 Cycling Facilities Program (Eastern Cycling Corridor - Phase 1 - St. Patrick, Beechwood, Hemlock - Bike Lanes)	Transportation Services	Growth	12,13	250
905925 2011 Cycling Facilities Program (Cycling Safety Intersection Improvements - Phase 1)	Transportation Services	Growth	CW	100
905925 2011 Cycling Facilities Program (Bay Street Bike Box and Wellington to Portage Cycling Improvements (Confederation Boulevard))	Transportation Services	Growth	14	201
905921 2011 Network Modification Program (Project Screening and Evaluation)	Transportation Services	Growth	CW	200
905921 2011 Network Modification Program (Implementation)	Transportation Services	Growth	10	500
905921 2011 Network Modification Program (Implementation)	Transportation Services	Growth	16	100
905921 2011 Network Modification Program (Implementation)	Transportation Services	Growth	8	1,000
905921 2011 Network Modification Program (Implementation)	Transportation Services	Growth	23	1,100
905921 2011 Network Modification Program (Implementation)	Transportation Services	Growth	20	600
905921 2011 Network Modification Program (Integrated Works)	Transportation Services	Growth	CW	100

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905921 2011 Network Modification Program (Integrated Works)	Transportation Services	Growth	CW	220
904482 West Twy (Bayshore Stn to Moodie)	Transit Services - TTC	Growth	7	43,120
904683 SW Transitway (Baseline to Norice)	Transit Services - TTC	Growth	8	15,000
905383 Origin Destination Survey 2011	Transit Services - TTC	Growth	CW	1,200
904366 Collections 2011	Ottawa Public Library	Growth	CW	1,102
2011 Total Budgeted Cost of Growth Capital Projects				\$327,427

APPENDIX C: 2011 BUDGET – NON-GROWTH CAPITAL PROJECTS

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906135 2011 Rural Roads - Ditching	Transportation Services - Rural	Renewal of City Assets	5,19,20,21	524
906136 2011 Rural Roads - Gravelling/ Shouldering	Transportation Services - Rural	Renewal of City Assets	5,19,20,21	1,675
906172 McCaffrey Trail O/P Creek	Transportation Services - Rural	Renewal of City Assets	21	600
906174 Brassils Ck Brdige, Paden Rd	Transportation Services - Rural	Renewal of City Assets	21	360
906175 Burton Rd Bridge Con 9 Lot 28	Transportation Services - Rural	Renewal of City Assets	19	256
906178 Parkway Rd O/P Drain	Transportation Services - Rural	Renewal of City Assets	20	350
902571 Rural Servicing Strategy	Integrated Water and Wastewater - Rural	Strategic Initiatives	5,19,20,21	350
905760 Battery Replacement - 2011	Fire Services	Renewal of City Assets	CW	300
905965 Specialty Fire Equipment Replace - 2011	Fire Services	Renewal of City Assets	CW	325
905966 Fire Equipment Replacement Prog - 2011	Fire Services	Renewal of City Assets	CW	590
905967 Fire Safety Equipment Replacement - 2011	Fire Services	Renewal of City Assets	CW	280
905968 Personal Protective Equipment - 2011	Fire Services	Renewal of City Assets	CW	775
905969 Fire Tech. Development & Equip - 2011	Fire Services	Renewal of City Assets	CW	365
905970 Fire Facility Equip. Replacement - 2011	Fire Services	Renewal of City Assets	CW	200
905913 Building Heritage - Fire Services (Fire Services - Internal Project Management)	Fire Services	Renewal of City Assets	CW	31
905913 Building Heritage - Fire Services (Fire Services - Contingency: Fire Services Buildings)	Fire Services	Renewal of City Assets	CW	25
905913 Building Heritage - Fire Services (Fire Station 22 - LincolnHeights)	Fire Services	Renewal of City Assets	7	17

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905913 Building Heritage - Fire Services (Fire Station 51 - Carson Grove)	Fire Services	Renewal of City Assets	13	47
905913 Building Heritage - Fire Services (Fire Station 53 - Fallingbrook)	Fire Services	Renewal of City Assets	19	49
905913 Building Heritage - Fire Services (Fire Station 54 - Blackburn Hamlet)	Fire Services	Renewal of City Assets	2	62
905913 Building Heritage - Fire Services (Fire Station 55 - Blair Road)	Fire Services	Renewal of City Assets	11	60
905913 Building Heritage - Fire Services (Fire Station 56 - Overbrook)	Fire Services	Renewal of City Assets	13	28
906114 Lifecycle Renewal Fleet - Fire Services	Fire Services	Renewal of City Assets	multiple	5,910
905407 Fire Nederman Exhaust Systems	Fire Services	Strategic Initiatives	CW	150
906122 Fire CBRN Grant - 2011	Fire Services	Strategic Initiatives	CW	100
905638 Mun. Child Care Infrastructure	Child Care	Renewal of City Assets	CW	200
906026 Building Heritage - Child Care Serv	Child Care	Renewal of City Assets	12	43
905639 Child Care Capital Grants	Child Care	Strategic Initiatives	CW	750
903685 Centrepointe Theatre Capital Renewal Fund	Parks, Recreation & Culture	Renewal of City Assets	8	100
904553 2011 Life Cycle Renewal - Park Infrastructure	Parks, Recreation & Culture	Renewal of City Assets	CW	504
904956 - Buildings - Parks & Rec (Bell Arena)	Parks, Recreation & Culture	Renewal of City Assets	8	308
904956 - Buildings - Parks & Rec (Bernard Grandmaitre Arena)	Parks, Recreation & Culture	Renewal of City Assets	12	164
904956 - Buildings - Parks & Rec (Blackburn Arena)	Parks, Recreation & Culture	Renewal of City Assets	2	15
904956 - Buildings - Parks & Rec (Brewer Arena)	Parks, Recreation & Culture	Renewal of City Assets	17	22
904956 - Buildings - Parks & Rec (Brewer Pool)	Parks, Recreation & Culture	Renewal of City Assets	17	290

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
904956 - Buildings - Parks & Rec (Champagne Bath)	Parks, Recreation & Culture	Renewal of City Assets	12	8
904956 - Buildings - Parks & Rec (Churchill Seniors Recreation Centre)	Parks, Recreation & Culture	Renewal of City Assets	15	30
904956 - Buildings - Parks & Rec (Parks and Recreation Facilities - Contingency: Recreation Facilities)	Parks, Recreation & Culture	Renewal of City Assets	CW	450
904956 - Buildings - Parks & Rec (Parks and Recreation Facilities - Internal PM (Bldg))	Parks, Recreation & Culture	Renewal of City Assets	CW	560
904956 - Buildings - Parks & Rec (Parks and Recreation Facilities - Contingency: Heritage Facilities)	Parks, Recreation & Culture	Renewal of City Assets	CW	25
904956 - Buildings - Parks & Rec (Parks and Recreation Facilities - Internal PM (Heritage))	Parks, Recreation & Culture	Renewal of City Assets	CW	20
904956 - Buildings - Parks & Rec (Dovercourt Recreation Complex)	Parks, Recreation & Culture	Renewal of City Assets	15	27
904956 - Buildings - Parks & Rec (Earl Armstrong Arena)	Parks, Recreation & Culture	Renewal of City Assets	11	103
904956 - Buildings - Parks & Rec (Erskine Johnston Arena)	Parks, Recreation & Culture	Renewal of City Assets	5	25
904956 - Buildings - Parks & Rec (Fred Barrett Arena)	Parks, Recreation & Culture	Renewal of City Assets	22	18
904956 - Buildings - Parks & Rec (Greenboro Community Centre and Library)	Parks, Recreation & Culture	Renewal of City Assets	10	10
904956 - Buildings - Parks & Rec (Jim Durrell Recreation Complex)	Parks, Recreation & Culture	Renewal of City Assets	18	6
904956 - Buildings - Parks & Rec (Jules Morin Fieldhouse)	Parks, Recreation & Culture	Renewal of City Assets	12	11
904956 - Buildings - Parks & Rec (Larry Robinson Arena)	Parks, Recreation & Culture	Renewal of City Assets	20	49
904956 - Buildings - Parks & Rec (Lowertown Complex)	Parks, Recreation & Culture	Renewal of City Assets	12	521
904956 - Buildings - Parks & Rec (Marlborough Community Centre)	Parks, Recreation & Culture	Renewal of City Assets	21	84

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
904956 - Buildings - Parks & Rec (McNabb Arena)	Parks, Recreation & Culture	Renewal of City Assets	14	6
904956 - Buildings - Parks & Rec (Nepean Sportsplex)	Parks, Recreation & Culture	Renewal of City Assets	9	1,747
904956 - Buildings - Parks & Rec (Osgoode Youth Centre)	Parks, Recreation & Culture	Renewal of City Assets	20	82
904956 - Buildings - Parks & Rec (RJ Kennedy Memorial Centre)	Parks, Recreation & Culture	Renewal of City Assets	19	234
904956 - Buildings - Parks & Rec (Richmond Arena and Community Centre)	Parks, Recreation & Culture	Renewal of City Assets	21	15
904956 - Buildings - Parks & Rec (Tom Brown Arena)	Parks, Recreation & Culture	Renewal of City Assets	15	55
904956 - Buildings - Parks & Rec (Walter Baker Sports Centre)	Parks, Recreation & Culture	Renewal of City Assets	3	1,317
906035 - Parks - Parks & Recreation (Parks and Recreation - Contingency: Parks/Play structures)	Parks, Recreation & Culture	Renewal of City Assets		150
906035 - Parks - Parks & Recreation (Parks and Recreation - Pathway and Paving Remediation)	Parks, Recreation & Culture	Renewal of City Assets	CW	100
906035 - Parks - Parks & Recreation (Parks and Recreation - Contingency: Tennis Resurfacing and Repairs)	Parks, Recreation & Culture	Renewal of City Assets	CW	25
906035 - Parks - Parks & Recreation (Parks and Recreation - Internal PM)	Parks, Recreation & Culture	Renewal of City Assets	CW	35
906035 - Parks - Parks & Recreation (Crestview Park: Outdoor Pool)	Parks, Recreation & Culture	Renewal of City Assets	8	10
906035 - Parks - Parks & Recreation (Dick Bell Park)	Parks, Recreation & Culture	Renewal of City Assets	7	32
906035 - Parks - Parks & Recreation (Genest Outdoor Pool)	Parks, Recreation & Culture	Renewal of City Assets	12	10
906035 - Parks - Parks & Recreation (Michele Heights Park: Basketball Court 1 & 2)	Parks, Recreation & Culture	Renewal of City Assets	7	43

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906025 Buildings - Heritage - Cultural Serv (Cultural Facilities - Internal PM)	Parks, Recreation & Culture	Renewal of City Assets	CW	15
906025 Buildings - Heritage - Cultural Serv (Cultural Facilities - Contingency: Cultural Services Building)	Parks, Recreation & Culture	Renewal of City Assets	CW	25
906025 Buildings - Heritage - Cultural Serv (Cultural Facilities - Heritage Buildings)	Parks, Recreation & Culture	Renewal of City Assets	CW	25
906025 Buildings - Heritage - Cultural Serv (Cumberland Museum: Vars Train Station)	Parks, Recreation & Culture	Renewal of City Assets	19	63
905044 Lifecycle Renewal Fleet-Recreation & Parks	Parks, Recreation & Culture	Renewal of City Assets	multiple	95
905781 Cultural Services Building and Equipment	Parks, Recreation & Culture	Renewal of City Assets	CW	100
905782 Parks Redevelopment 2011	Parks, Recreation & Culture	Renewal of City Assets	CW	175
906123 2011 Life Cycle Renewal - Parks Small Equipment	Parks, Recreation & Culture	Renewal of City Assets	CW	100
906182 Minor Park Improvement 2011	Parks, Recreation & Culture	Renewal of City Assets	CW	232
906233 Minor Capital Community Partnership 2011	Parks, Recreation & Culture	Strategic Initiatives	CW	330
906232 Sportsfield Development - Lansdowne Dome Relocation	Parks, Recreation & Culture	Strategic Initiatives	17	3,800
906234 Major Capital Community Partnership 2011	Parks, Recreation & Culture	Strategic Initiatives	CW	700
906235 Outdoor Rink Infrastructure 2011	Parks, Recreation & Culture	Strategic Initiatives	CW	300
906236 Program Facility Upgrade	Parks, Recreation & Culture	Strategic Initiatives	CW	1,300
904961 Accessibility - Cultural Serv (Cultural Facilities)	Parks, Recreation & Culture	Strategic Initiatives	CW	10
904961 Accessibility - Cultural Serv (Ottawa School of Art)	Parks, Recreation & Culture	Strategic Initiatives	12	20
906038 Accessibility - Parks & Rec (Bearbrook Community Centre)	Parks, Recreation & Culture	Strategic Initiatives	19	50
906038 Accessibility - Parks & Rec (Brewer Pool)	Parks, Recreation & Culture	Strategic Initiatives	17	300

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906038 Accessibility - Parks & Rec (Canterbury Community Centre)	Parks, Recreation & Culture	Strategic Initiatives	18	20
906038 Accessibility - Parks & Rec (Parks and Recreation Facilities)	Parks, Recreation & Culture	Strategic Initiatives	CW	30
906038 Accessibility - Parks & Rec (Dempsey Community Centre)	Parks, Recreation & Culture	Strategic Initiatives	18	250
906038 Accessibility - Parks & Rec (Lowertown Complex)	Parks, Recreation & Culture	Strategic Initiatives	12	60
906038 Accessibility - Parks & Rec (McNabb Community Centre)	Parks, Recreation & Culture	Strategic Initiatives	14	355
906038 Accessibility - Parks & Rec (Nepean Sportsplex)	Parks, Recreation & Culture	Strategic Initiatives	9	100
906038 Accessibility - Parks & Rec (Sandy Hill Community Centre)	Parks, Recreation & Culture	Strategic Initiatives	12	50
906038 Accessibility - Parks & Rec (Walter Baker Sports Centre)	Parks, Recreation & Culture	Strategic Initiatives	3	80
905029 Paramedic Technology & Equipment - 2011	Paramedic Service	Renewal of City Assets	CW	1,000
906160 Paramedic Equipment Replacement 2011	Paramedic Service	Renewal of City Assets	CW	480
906115 Lifecycle Renewal Fleet - Paramedic Svcs	Paramedic Service	Renewal of City Assets	multiple	2,880
906231 Paramedic Vehicles and Equipment - 2011	Paramedic Service	Strategic Initiatives	CW	525
905914 Building Heritage - Long Term Care (Long Term Care Facilities - Contingency: LTC Facilities)	Long Term Care	Renewal of City Assets	CW	25
905914 Building Heritage - Long Term Care (Long Term Care Facilities - Internal PM)	Long Term Care	Renewal of City Assets	CW	47
905914 Building Heritage - Long Term Care (Carleton Lodge)	Long Term Care	Renewal of City Assets	22	402
905914 Building Heritage - Long Term Care (Peter D. Clark Centre: The Bungalows)	Long Term Care	Renewal of City Assets	8	102

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905985 2011 Furniture & Equipment LTC	Long Term Care	Renewal of City Assets	8,12,22	225
905986 2011 Renovations & Equip LTC	Long Term Care	Renewal of City Assets	8,12,22	125
905987 LTC - Call Bell System Upgrade	Long Term Care	Strategic Initiatives	CW	500
905988 LTC - Security Alarm Systems	Long Term Care	Strategic Initiatives	CW	250
906230 LTC - Elevator Card Readers	Long Term Care	Strategic Initiatives	CW	60
906039 Accessibility - Long Term Care (Carleton Lodge)	Long Term Care	Strategic Initiatives	22	75
906039 Accessibility - Long Term Care (Long Term Care Facilities)	Long Term Care	Strategic Initiatives	CW	10
905718 - SIEP Integrating Community & Social Svcs	Community & Social Services	Strategic Initiatives	CW	310
905960 Bylaw Equipment Replacement (2011)	By-Law & Regulatory Services	Renewal of City Assets	CW	125
906113 Lifecycle Renewal Fleet - By-Law Services	By-Law & Regulatory Services	Renewal of City Assets	multiple	74
905962 By-Law Municipal Animal Shelter (Pound) Facility	By-Law & Regulatory Services	Strategic Initiatives	CW	100
905916 IPS - Corporate Radio System (2011)	Security and Emergency Management	Renewal of City Assets	CW	245
906168 Building/Heritage - Social Housing (Carling Family Shelter)	Housing	Renewal of City Assets	7	128
906037 Accessibility - Social Housing (Carling Family Shelter)	Housing	Strategic Initiatives	7	100
906134 2011 Lifecycle Renewal - Tree Program	Environment	Renewal of City Assets	CW	1,175
902560 Environmental Management	Environment	Strategic Initiatives	CW	500
905452 Trees & Forest Maintenance Program Vehicles/Equipment	Environment	Strategic Initiatives	CW	490
905733 SIEP Smart Energy	Environment	Strategic Initiatives	CW	2,412
906167 Leachate Management	Solid Waste Services	Regulatory	CW	200
906112 Lifecycle Renewal Fleet - Solid Waste	Solid Waste Services	Renewal of City Assets	multiple	1,100

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
901139 1W/2W Feedermain Link	Drinking Water Services	Renewal of City Assets	CW	15,000
901141 Orleans Transmission Main	Drinking Water Services	Renewal of City Assets	2	750
904783 Infrastructure Master Plan Update	Drinking Water Services	Renewal of City Assets	CW	250
904973 Leitrim Supply Watermain	Drinking Water Services	Renewal of City Assets	22	3,500
906118 Lifecycle Renewal Fleet - Water Services	Drinking Water Services	Renewal of City Assets	multiple	219
906189 Water Storage Tanks & Reservoirs 2011	Drinking Water Services	Renewal of City Assets	CW	685
906198 Water Pumping Station Rehab 2011	Drinking Water Services	Renewal of City Assets	CW	1,552
906204 Communal Well System Rehab 2011	Drinking Water Services	Renewal of City Assets	CW	536
906073 Lower Access Bridge - Fleet St SN017150	Drinking Water Services	Renewal of City Assets	14	300
906074 Risk Assessment - Water Structures	Drinking Water Services	Renewal of City Assets	CW	300
903403 Britannia Filter Rebuild/Equip Upgrades	Drinking Water Services	Renewal of City Assets	7	750
906187 Water Treatment Rehab 2011	Drinking Water Services	Renewal of City Assets	CW	8,960
905681 Water System SCADA & Instrument Rehab	Drinking Water Services	Renewal of City Assets	CW	400
905750 Asset Management Strategy	Drinking Water Services	Renewal of City Assets	CW	125
905818 Water Facilities Master Drawings	Drinking Water Services	Renewal of City Assets	CW	100
906188 Water Facilities Roofing 2011	Drinking Water Services	Renewal of City Assets	CW	335
906197 Water System Facilities Upgrades 2011	Drinking Water Services	Renewal of City Assets	CW	1,800
905054 Woodroffe TransMain (Hunt Club-Sportsplex)	Drinking Water Services	Renewal of City Assets	3	3,880
906081 Trenchless Rehab-Water	Drinking Water Services	Renewal of City Assets	CW	1,000
906082 Pinhey (Scott-Armstrong) /Ladouceur	Drinking Water Services	Renewal of City Assets	15	1,600
906083 Saunderson (Smyth - Haig)	Drinking Water Services	Renewal of City Assets	18	1,400

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906084 Delong (Oriole - Rothwell)	Drinking Water Services	Renewal of City Assets	11	1,300
906085 Wesmar (Alta Vista E-Dead End)	Drinking Water Services	Renewal of City Assets	17,18	1,400
906086 Lady Ellen/Laperriere/McBride	Drinking Water Services	Renewal of City Assets	8	400
906199 Condition Assessment Critical Sys Links	Drinking Water Services	Renewal of City Assets	CW	970
906200 Water Distribution Sys Improvements 2011	Drinking Water Services	Renewal of City Assets	CW	1,000
906201 Service Rehab 2011	Drinking Water Services	Renewal of City Assets	CW	423
906202 Cathodic Protection Water System 2011	Drinking Water Services	Renewal of City Assets	CW	2,000
906203 Proactive Lead Service Replacement 2011	Drinking Water Services	Renewal of City Assets	CW	1,000
906184 Water Efficiency	Drinking Water Services	Regulatory	CW	582
900228 Orleans/Cumberland Collector Flood Prot	Wastewater Services	Renewal of City Assets	19	800
905417 Infrastructure Master Plan (Sewer)	Wastewater Services	Renewal of City Assets	CW	200
905424 Barrhaven S O/S North Jock River	Wastewater Services	Renewal of City Assets	3	100
906119 Lifecycle Renewal Fleet - Wastewater Svc	Wastewater Services	Renewal of City Assets	multiple	245
906190 Water Env Protec Short Term Initiatives	Wastewater Services	Renewal of City Assets	CW	162
906206 Wastewater Drainage Roofing 2011	Wastewater Services	Renewal of City Assets	CW	450
902962 Linear Sewage System Rehab. Program	Wastewater Services	Renewal of City Assets	CW	1,900
904141 Sewer Lateral Repairs	Wastewater Services	Renewal of City Assets	CW	1,200
905806 Flow Monitoring System Rehab. Program	Wastewater Services	Renewal of City Assets	CW	760
905005 Rehabilitation of Digester 1 to 4	Wastewater Services	Renewal of City Assets	11	1,500
906186 ROPEC Capitalized Maintenance Projects	Wastewater Services	Renewal of City Assets	11	7,370
906195 Lab Equipment Purchases/Replacement	Wastewater Services	Renewal of City Assets	11	300

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906070 Scoping Pre/Post Drn Culverts	Wastewater Services	Renewal of City Assets	CW	380
906071 Drainage Culverts (1m-3m)	Wastewater Services	Renewal of City Assets	2,3,5,10,19,20,21	3,270
906072 Municipal Drain Culvert (1-3m) Prgm	Wastewater Services	Renewal of City Assets	CW	500
906075 Drainage Culverts (<=1m)	Wastewater Services	Renewal of City Assets	CW	1,350
906076 Drainage Culverts (<=1m) Resurfacing	Wastewater Services	Renewal of City Assets	CW	990
906077 Drainage Culverts - Site Specific	Wastewater Services	Renewal of City Assets	CW	350
904470 Britannia Village - OttRiver Flood Protect	Wastewater Services	Renewal of City Assets	7	200
905553 West-end Flood Mitigation	Wastewater Services	Renewal of City Assets	6	6,800
906089 Trenchless Rehab Storm	Wastewater Services	Renewal of City Assets	CW	1,000
906091 Joint CA/City Renewal Activity	Wastewater Services	Renewal of City Assets	CW	200
906092 Ditch Alts - Assess/Implement	Wastewater Services	Renewal of City Assets	CW	150
900214 Stormwater Mgmt Fac: Rehab & Env Comply	Wastewater Services	Renewal of City Assets	CW	515
905555 Sawmill Creek SWM Pond	Wastewater Services	Renewal of City Assets	10	250
905757 Monahan Constructed Wetland Rehab	Wastewater Services	Renewal of City Assets	23	1,500
904939 Wet Weather IMP	Wastewater Services	Renewal of City Assets	CW	2,680
905705 ORAP - Combined Sewer Overflow Storage	Wastewater Services	Renewal of City Assets	CW	2,500
906094 ORAP - Non Integrated Works	Wastewater Services	Renewal of City Assets	CW	3,740
906095 Inlet Control Devices - CW	Wastewater Services	Renewal of City Assets	CW	400
906096 Trenchless Rehab-Sanitary	Wastewater Services	Renewal of City Assets	CW	4,000
906097 Woodroffe Ave (Baseline-417)	Wastewater Services	Renewal of City Assets	8	4,500
906098 Norice/Woodroffe	Wastewater Services	Renewal of City Assets	8	350

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905004 ORF-Ottawa River Quality Modelling Init.	Wastewater Services	Renewal of City Assets	CW	50
905762 ORAP-Monitoring & Source Control Program	Wastewater Services	Renewal of City Assets	CW	260
902142 ROPEC - Effluent Dechlorination	Wastewater Services	Regulatory	11	490
906191 Protective Plumbing	Wastewater Services	Regulatory	CW	1,750
906193 Quality Management System	Wastewater Services	Regulatory	CW	350
905683 Watershed/Subwatershed Planning	Wastewater Services	Strategic Initiatives	CW	300
906194 Municipal Drain Improvements	Wastewater Services	Strategic Initiatives	CW	330
905787 ORAP-Water Environment Strategy	Wastewater Services	Strategic Initiatives	CW	250
905788 ORAP-Public Education & Outreach	Wastewater Services	Strategic Initiatives	CW	75
905549 Springhurst Ave (Main-Chestnut)	Integrated Water & Wastewater	Renewal of City Assets	17	2,150
906058 Sewer & Water Improvements	Integrated Water & Wastewater	Renewal of City Assets	CW	3,500
906059 Elgin (Pretoria - Isabella)	Integrated Water & Wastewater	Renewal of City Assets	14,17	850
906215 Prince of Wales Watermain	Integrated Water & Wastewater	Renewal of City Assets	16	800
905717 SIEP CBMW Community Based Mobile WF	DCM of City Operations	Strategic Initiatives	CW	1,501
905963 Environmental Remediation 2011	Real Estate Partnerships & Development	Renewal of City Assets	CW	2,000
905989 IT Business Systems: Renewal Program 2011	Information Technology	Renewal of City Assets	CW	2,500
906007 IT Enterprise Systems: Info Mgmt 2011	Information Technology	Renewal of City Assets	CW	625
906008 IT Network Infrastructure 2011	Information Technology	Renewal of City Assets	CW	2,400
906009 IT Enterprise Systems: Content Mgmt 2011	Information Technology	Renewal of City Assets	CW	340
906010 IT Desktop Computer, Laptop & Peripheral 2011	Information Technology	Renewal of City Assets	CW	2,390

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906011 IT Enterprise System: Database Mgt&BI 2011	Information Technology	Renewal of City Assets	CW	340
906012 IT Enterprise Systems: Web Services 2011	Information Technology	Renewal of City Assets	CW	340
906013 IT Enterprise Systems: Sec Services 2011	Information Technology	Renewal of City Assets	CW	470
906014 IT Enterprise Systems: SAP 2011	Information Technology	Renewal of City Assets	CW	2,020
906015 IT Enterprise Systems: GIS 2011	Information Technology	Renewal of City Assets	CW	260
906016 IT Enterprise Systems: IT Svc Mgmt 2011	Information Technology	Renewal of City Assets	CW	345
906018 IT Network Email Anti-Spam Firewall 2011	Information Technology	Renewal of City Assets	CW	475
906019 IT Business Systems: Class 2011	Information Technology	Renewal of City Assets	CW	95
905732 SIEP TECH RM (Roadmap)	Information Technology	Strategic Initiatives	CW	750
905716 SIEP 311 Citizen Centric Services	Communications	Strategic Initiatives	CW	9,217
905657 Buildings-Heritage - General Government (Ben Franklin Place)	General Government	Renewal of City Assets	8	176
905657 Buildings-Heritage - General Government (Campground Office and Store)	General Government	Renewal of City Assets	7	5
905657 Buildings-Heritage - General Government (General Government Buildings - Internal Project Management)	General Government	Renewal of City Assets	CW	86
905657 Buildings-Heritage - General Government (General Government Buildings - Contingency: General Government Buildings)	General Government	Renewal of City Assets	CW	25
905657 Buildings-Heritage - General Government (General Government Buildings - Contingency: General Government Heritage Buildings)	General Government	Renewal of City Assets	CW	25
905657 Buildings-Heritage - General Government (Ottawa City Hall)	General Government	Renewal of City Assets	14	22

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905657 Buildings-Heritage - General Government (Ottawa City Hall - Heritage Building)	General Government	Renewal of City Assets	14	115
905657 Buildings-Heritage - General Government (Rapids Stadium)	General Government	Renewal of City Assets	13	13
906031 Buildings-Heritage - General Government	General Government	Renewal of City Assets	CW	300
905669 Accessibility - General Gov (General Government Buildings - Accessibility Barrier Removal And Design)	General Government	Strategic Initiatives	CW	50
905669 Accessibility - General Gov (General Government Buildings - Accessible Washrooms)	General Government	Strategic Initiatives	CW	65
905669 Accessibility - General Gov (General Government Buildings - Accessibility Audit And Design)	General Government	Strategic Initiatives	CW	50
905669 Accessibility - General Gov (General Government Buildings - Parking And Curb Cuts And Passenger Loading Area)	General Government	Strategic Initiatives	CW	100
905669 Accessibility - General Gov (General Government Buildings - Power Door Operators)	General Government	Strategic Initiatives	CW	50
905669 Accessibility - General Gov (General Government Buildings - Tactile And Way Finding Signage)	General Government	Strategic Initiatives	CW	75
905669 Accessibility - General Gov (Constellation Administration Building - Accessible Counter - Tim Hortons)	General Government	Strategic Initiatives	8	15
906216 Housing Reinvestment Program	Housing	Strategic Initiatives	CW	4,000
906247 Revenue Bus Replacement (Double Deckers)	Transit Services	Renewal of City Assets	CW	81,000
905975 Non-Revenue Vehicle Additions - 2011	Transit Services	Renewal of City Assets	CW	593

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905983 Transit Network Capital Projects - 2011	Transit Services	Renewal of City Assets	CW	1,350
905998 2011 Transit Priority Corridors	Transit Services	Renewal of City Assets	CW	2,000
905999 2011 Transit Priority Measures	Transit Services	Renewal of City Assets	CW	1,600
904730 Rideau River O-Train Bridge	Transit Services	Renewal of City Assets	16	300
906110 O-Train Structures	Transit Services	Renewal of City Assets	10,14,15,16	1,960
906111 Regulatory Structural Inspections	Transit Services	Renewal of City Assets	CW	150
906101 Scoping Pre/Post Twy Roads	Transit Services	Renewal of City Assets	CW	30
906102 Transitway Roads	Transit Services	Renewal of City Assets	1,7,8,9,10,12,14,15,17	930
906104 Scoping Pre/Post Twy Struc.	Transit Services	Renewal of City Assets	CW	730
906105 Transitway Structures	Transit Services	Renewal of City Assets	11,13,17	1,860
906106 Bridge Salt Prot / Conc Patching	Transit Services	Renewal of City Assets	CW	400
906107 Regulatory Structural Inspections	Transit Services	Renewal of City Assets	CW	70
906108 Crack Sealing - Transit	Transit Services	Renewal of City Assets	CW	100
904610 IT Bus Radio System	Transit Services	Renewal of City Assets	CW	1,500
905152 Building Capacity Improvement	Transit Services	Renewal of City Assets	CW	13,500
905159 IT Transit Scheduling Platform	Transit Services	Renewal of City Assets	CW	85
905160 Customer Service Platform	Transit Services	Renewal of City Assets	CW	3,900
905174 Transit Security Platform	Transit Services	Renewal of City Assets	CW	1,000
905175 IT Business Intelligence Platform	Transit Services	Renewal of City Assets	CW	500
905508 Bus Equipment Replacement-2011	Transit Services	Renewal of City Assets	CW	2,663
905972 Bus Refurbishment & Modifications - 2011	Transit Services	Renewal of City Assets	CW	17,405

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905974 Facility Rationalization	Transit Services	Renewal of City Assets	CW	3,895
905976 Non-Revenue Vehicle Replacement - 2011	Transit Services	Renewal of City Assets	CW	1,476
905977 O-Train & Rail Lifecycle - 2011	Transit Services	Renewal of City Assets	CW	303
905979 Purchase of additional used Talent Train	Transit Services	Renewal of City Assets	CW	3,630
905980 Transit Brand Renewal	Transit Services	Renewal of City Assets	CW	1,250
905981 Transit Fac - Operational Response -2011	Transit Services	Renewal of City Assets	CW	2,500
905982 Transit Fac - Renewal of Operational Assets - 2011	Transit Services	Renewal of City Assets	CW	7,750
905984 Transitway Accessibility improvements	Transit Services	Renewal of City Assets	CW	3,000
906029 Buildings-Heritage - Transit (Administration Building - OC Transpo)	Transit Services	Renewal of City Assets	18	960
906029 Buildings-Heritage - Transit (Bayshore Transitway Station)	Transit Services	Renewal of City Assets	7	340
906029 Buildings-Heritage - Transit (Billings Bridge Transitway Station)	Transit Services	Renewal of City Assets	17	298
906029 Buildings-Heritage - Transit (Blair Transitway Station)	Transit Services	Renewal of City Assets	11	100
906029 Buildings-Heritage - Transit (Bus Storage - Pinecrest)	Transit Services	Renewal of City Assets	7	300
906029 Buildings-Heritage - Transit (Transit Facilities - Contingency: Transit)	Transit Services	Renewal of City Assets	CW	160
906029 Buildings-Heritage - Transit (Transit Facilities - Internal Project Management)	Transit Services	Renewal of City Assets	CW	425
906029 Buildings-Heritage - Transit (Greenboro Transitway Station)	Transit Services	Renewal of City Assets	10	298
906029 Buildings-Heritage - Transit (Heron Transitway Station)	Transit Services	Renewal of City Assets	17	44
906029 Buildings-Heritage - Transit (Lees Transitway Station)	Transit Services	Renewal of City Assets	17	52

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906029 Buildings-Heritage - Transit (Lincoln Fields Transitway Station)	Transit Services	Renewal of City Assets	7	75
906029 Buildings-Heritage - Transit (Lycee Claudel Transitway Station)	Transit Services	Renewal of City Assets	18	298
906029 Buildings-Heritage - Transit (North Garage and Office - OC Transpo)	Transit Services	Renewal of City Assets	18	514
906029 Buildings-Heritage - Transit (Office and Garage - Merivale)	Transit Services	Renewal of City Assets	9	676
906029 Buildings-Heritage - Transit (Smyth Transitway Station)	Transit Services	Renewal of City Assets	17	298
906029 Buildings-Heritage - Transit (South Garage - St. Laurent)	Transit Services	Renewal of City Assets	18	1,414
906029 Buildings-Heritage - Transit (South Keys Transitway Station)	Transit Services	Renewal of City Assets	10	298
900300 IT Smartcard	Transit Services	Renewal of City Assets	CW	8,636
905497 2010 IT E-Learning & Video Enhancement	Transit Services	Strategic Initiatives	CW	150
905893 IT Corporate Support Platform	Transit Services	Strategic Initiatives	CW	1,114
905894 IT Operating & Control Centre Platform	Transit Services	Strategic Initiatives	CW	2,075
905880 Lifecycle Renewal Fleet - Transportation	Transportation Services	Renewal of City Assets	multiple	9,696
906126 Two - Way Radio Replacement	Transportation Services	Renewal of City Assets	CW	400
906127 Lifecycle Renewal - Ice & Snow Technologies	Transportation Services	Renewal of City Assets	CW	120
906137 2011 Lifecycle Renewal - Parking Facilities	Transportation Services	Renewal of City Assets	CW	2,500
906138 2011 Lifecycle Renewal - Off Street Facilities	Transportation Services	Renewal of City Assets	CW	1,280
906143 2011 Parking Studies	Transportation Services	Renewal of City Assets	CW	180
906131 2011 Parking Studies (DC)	Transportation Services	Renewal of City Assets	CW	100

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906130 2011 Street Lighting Major Replacements	Transportation Services	Renewal of City Assets	CW	2,452
906124 2011 Lifecycle Renew-Traffic Control Sig (Conroy & Hunt Club)	Transportation Services	Renewal of City Assets	10	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Carling &)March	Transportation Services	Renewal of City Assets	4	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Coventry & Lola)	Transportation Services	Renewal of City Assets	13	20
906124 2011 Lifecycle Renew-Traffic Control Sig (St Laurent & Cyrville)	Transportation Services	Renewal of City Assets	13	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Clyde & Merivale)	Transportation Services	Renewal of City Assets	9	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Carling & Edgeworth)	Transportation Services	Renewal of City Assets	7	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Bank & Johnston)	Transportation Services	Renewal of City Assets	23	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Hunt Club & Cleopatra)	Transportation Services	Renewal of City Assets	multiple	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Lyon & Laurier)	Transportation Services	Renewal of City Assets	14	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Dalhousie & George)	Transportation Services	Renewal of City Assets	12	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Ogilvie & Shoppers City)	Transportation Services	Renewal of City Assets	11	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Various locations)	Transportation Services	Renewal of City Assets	CW	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Woodroffe & Georgina/Lenester)	Transportation Services	Renewal of City Assets	7	20
906124 2011 Lifecycle Renew-Traffic Control Sig (McCarthy & Walkley)	Transportation Services	Renewal of City Assets	16	20

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906124 2011 Lifecycle Renew-Traffic Control Sig (Baseline & Loblaws)	Transportation Services	Renewal of City Assets	8	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Merivale & Camelot/Lancer)	Transportation Services	Renewal of City Assets	9	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Smyth & Children's Hospital)	Transportation Services	Renewal of City Assets	18	20
906124 2011 Lifecycle Renew-Traffic Control Sig (St Joseph & Place d'Orleans)	Transportation Services	Renewal of City Assets	2	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Various locations - Add traffic cameras)	Transportation Services	Renewal of City Assets	CW	70
906124 2011 Lifecycle Renew-Traffic Control Sig (Various locations - Upgrade Controller & Cabinet)	Transportation Services	Renewal of City Assets	CW	300
906124 2011 Lifecycle Renew-Traffic Control Sig (Various locations - Additional detectors - improved response)	Transportation Services	Renewal of City Assets	CW	30
906124 2011 Lifecycle Renew-Traffic Control Sig (Various locations - Add left turn arrows as required)	Transportation Services	Renewal of City Assets	CW	100
906124 2011 Lifecycle Renew-Traffic Control Sig (Colonel By and Hawthorne)	Transportation Services	Renewal of City Assets	17	150
906124 2011 Lifecycle Renew-Traffic Control Sig (Various intersections -Replace aging traffic signal disconnect cabinets)	Transportation Services	Renewal of City Assets	CW	50
906124 2011 Lifecycle Renew-Traffic Control Sig (Various intersections - Repair/replace damaged traffic duct & handholes)	Transportation Services	Renewal of City Assets	CW	50
906124 2011 Lifecycle Renew-Traffic Control Sig (Carling & Parkdale)	Transportation Services	Renewal of City Assets	15	20

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906124 2011 Lifecycle Renew-Traffic Control Sig (Parkdale & Tyndale)	Transportation Services	Renewal of City Assets	15	20
906124 2011 Lifecycle Renew-Traffic Control Sig (Bank Street Bridge)	Transportation Services	Renewal of City Assets	17	40
906124 2011 Lifecycle Renew-Traffic Control Sig (Billings Bridge)	Transportation Services	Renewal of City Assets	17	40
906124 2011 Lifecycle Renew-Traffic Control Sig (Transitway - Loretta to Walkley)	Transportation Services	Renewal of City Assets	CW	150
906124 2011 Lifecycle Renew-Traffic Control Sig (Various intersections (Highway 174))	Transportation Services	Renewal of City Assets	CW	100
906124 2011 Lifecycle Renew-Traffic Control Sig (Various intersections - Replace street name signs (bilingual update))	Transportation Services	Renewal of City Assets	CW	55
906125 2011 Lifecycle Renewal - Traffic Monitor	Transportation Services	Renewal of City Assets	CW	291
904339 Railway Crossing Signals	Transportation Services	Strategic Initiative	CW	55
905714 SIEP Transforming Fleet Management	Transportation Services	Strategic Initiative	CW	600
905715 SIEP Innovative Bus/Mgt/OP Practices(PW)	Transportation Services	Strategic Initiative	CW	210
906225 Strategic Development - Parking	Transportation Services	Strategic Initiative	CW	260
906226 Parking - Measures to promote Alt Modes of Transportation	Transportation Services	Strategic Initiative	CW	50
906227 Pedestrian Count Down Signals (Colonel By and Hawthorne)	Transportation Services	Strategic Initiative	17	5
906227 Pedestrian Count Down Signals (Coventry and St. Laurent Blvd)	Transportation Services	Strategic Initiative	12	5
906227 Pedestrian Count Down Signals (Tenth Line and Charlemagne/Thompkins)	Transportation Services	Strategic Initiative	1	5
906227 Pedestrian Count Down Signals (Hunt Club and Albion Roads)	Transportation Services	Strategic Initiative	10	5

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906227 Pedestrian Count Down Signals (Campeau Drive and Kanata Avenue)	Transportation Services	Strategic Initiative	4	5
906227 Pedestrian Count Down Signals (Carling Avenue and Fairlawn, Woodroffe)	Transportation Services	Strategic Initiative	7	5
906227 Pedestrian Count Down Signals (Campeau Drive and Terry Fox Drive)	Transportation Services	Strategic Initiative	4	5
906227 Pedestrian Count Down Signals (Eagleson Road and Hazeldean Road)	Transportation Services	Strategic Initiative	23	5
906227 Pedestrian Count Down Signals (Place d'Orleans and Champlain)	Transportation Services	Strategic Initiative	1	5
906227 Pedestrian Count Down Signals (Bronson and Gladstone)	Transportation Services	Strategic Initiative	14	5
906227 Pedestrian Count Down Signals (Beechwood and MacKay)	Transportation Services	Strategic Initiative	12	5
906227 Pedestrian Count Down Signals (Parkdale and Ruskin)	Transportation Services	Strategic Initiative	15	5
906227 Pedestrian Count Down Signals (Tenth Line and Des Epinettes)	Transportation Services	Strategic Initiative	1	5
906227 Pedestrian Count Down Signals (Baseline and Merivale)	Transportation Services	Strategic Initiative	8	5
906227 Pedestrian Count Down Signals (Merivale and Meadowlands)	Transportation Services	Strategic Initiative	8	5
906227 Pedestrian Count Down Signals (Hazeldean and Carbrooke Irwin Gate)	Transportation Services	Strategic Initiative	23	5
906227 Pedestrian Count Down Signals (Ogilvie and Elmridge)	Transportation Services	Strategic Initiative	11	5
906227 Pedestrian Count Down Signals (Innes and Orient Parks)	Transportation Services	Strategic Initiative	2	5
906227 Pedestrian Count Down Signals (Innes and Lanthier/Preswick)	Transportation Services	Strategic Initiative	19	5
906227 Pedestrian Count Down Signals (Trim and Portobello)	Transportation Services	Strategic Initiative	19	5

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906227 Pedestrian Count Down Signals (Jeanne D'Arc and Orleans South)	Transportation Services	Strategic Initiative	2	5
906227 Pedestrian Count Down Signals (Long Fields and 250 m west of Mount Shannon)	Transportation Services	Strategic Initiative	3	5
906227 Pedestrian Count Down Signals (Bridge and Long Island)	Transportation Services	Strategic Initiative	21	5
906227 Pedestrian Count Down Signals (Various locations to be determined)	Transportation Services	Strategic Initiative	CW	385
906228 2011 Audible Signals Program (Lyon and Sparks Streets East)	Transportation Services	Strategic Initiative	14	10
906228 2011 Audible Signals Program (Lyon and Sparks Street West)	Transportation Services	Strategic Initiative	14	10
906228 2011 Audible Signals Program (Albert and Lyon Streets)	Transportation Services	Strategic Initiative	14	10
906228 2011 Audible Signals Program (Albert and O'Connor Streets)	Transportation Services	Strategic Initiative	14	10
906228 2011 Audible Signals Program (Albert and Metcalfe Streets)	Transportation Services	Strategic Initiative	14	10
906228 2011 Audible Signals Program (Conroy and Johnson Street)	Transportation Services	Strategic Initiative	10	10
906228 2011 Audible Signals Program (Cumberland and Murray Streets)	Transportation Services	Strategic Initiative	12	10
906228 2011 Audible Signals Program (Woodroffe Avenue and Earl Mulligan Drive)	Transportation Services	Strategic Initiative	3	10
906228 2011 Audible Signals Program (Metcalfe and Slater Streets)	Transportation Services	Strategic Initiative	14	10
906228 2011 Audible Signals Program (Russell and St. Laurent Extension)	Transportation Services	Strategic Initiative	18	10
906228 2011 Audible Signals Program (Carling Avenue and Lincoln Field Transitway)	Transportation Services	Strategic Initiative	7	10

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906228 2011 Audible Signals Program (Greenbank Road and Iris Street)	Transportation Services	Strategic Initiative	8	10
906228 2011 Audible Signals Program (Carling Avenue and Clyde/Cole)	Transportation Services	Strategic Initiative	15	10
906228 2011 Audible Signals Program (Carling Avenue and Booth Street)	Transportation Services	Strategic Initiative	17	10
906228 2011 Audible Signals Program (Stittsville Main Street and Beverly Street)	Transportation Services	Strategic Initiative	6	10
906228 2011 Audible Signals Program (Greenbank Road and Foxfield/Malvern)	Transportation Services	Strategic Initiative	3	10
906228 2011 Audible Signals Program (Elgin and Lisgar Streets)	Transportation Services	Strategic Initiative	14	10
906228 2011 Audible Signals Program (Elgin and Nepean Streets)	Transportation Services	Strategic Initiative	14	10
906228 2011 Audible Signals Program (Various locations to be determined on a priority basis)	Transportation Services	Strategic Initiative	CW	645
906229 2011 New Street Lighting (Trim Road - Taylor Creek to Watters)	Transportation Services	Strategic Initiative	1	165
906229 2011 New Street Lighting (Greenbank Road - Jockvale to the Jock River)	Transportation Services	Strategic Initiative	3	144
906229 2011 New Street Lighting (Pathway - Tooney Drive to) Jeanne D'Arc	Transportation Services	Strategic Initiative	2	15
906229 2011 New Street Lighting (Pathway - North Service Road to Wincanton)			1	23
906229 2011 New Street Lighting (Pathway - Woodroffe Ave to Markland)	Transportation Services	Strategic Initiative	22	15
906229 2011 New Street Lighting (Pathway - Turner Crescent)	Transportation Services	Strategic Initiative	1	15

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906229 2011 New Street Lighting (Pathway - Montreal Road to Rainbow Street)	Transportation Services	Strategic Initiative	11	8
Pathway - Sai Crescent	Transportation Services	Strategic Initiative	10	15
905088 Buildings-Heritage - Transportation (Transportation Roads Facilities)	Transportation Services	Renewal of City Assets	CW	76
905088 Buildings-Heritage - Transportation (Transportation Roads Facilities)	Transportation Services	Renewal of City Assets	CW	25
905088 Buildings-Heritage - Transportation (Loretta Signals and Communications Centre)	Transportation Services	Renewal of City Assets	15	171
905088 Buildings-Heritage - Transportation (Manotick Depot Office and Garage)	Transportation Services	Renewal of City Assets	21	134
905088 Buildings-Heritage - Transportation (Maple Grove Depot Office/Garage/Paramedic Post)	Transportation Services	Renewal of City Assets	6	308
905088 Buildings-Heritage - Transportation (North Gower Depot)	Transportation Services	Renewal of City Assets	21	82
905088 Buildings-Heritage - Transportation (Orleans Equipment Depot and Office)	Transportation Services	Renewal of City Assets	19	11
906062 Roadside Slope Stabilization	Transportation Services	Renewal of City Assets	CW	200
906173 Minto Bridges Phase 1	Transportation Services	Renewal of City Assets	12,13	2,200
906176 Pierre Rocque Park Ped Bridge #1	Transportation Services	Renewal of City Assets	1	120
906177 North Sawmill Crk Park Ped Bridge #1	Transportation Services	Renewal of City Assets	10	150
906179 Carling Ave O/P Kizell Drain	Transportation Services	Renewal of City Assets	4	750
906067 Scoping Pre/Post Bridges & Cul	Transportation Services	Renewal of City Assets	CW	820
906068 Structural Inspection/Appraisals	Transportation Services	Renewal of City Assets	CW	420
906069 Structures - Site-Specific	Transportation Services	Renewal of City Assets	CW	225

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906078 Retaining Walls	Transportation Services	Renewal of City Assets	CW	200
906079 Bridge Salt Prot / Conc Patching	Transportation Services	Renewal of City Assets	CW	400
905540 Minor Structural Rehab	Transportation Services	Renewal of City Assets	CW	100
906080 Sidewalk & Curb Rehabilitation (Pinhey St)	Transportation Services	Renewal of City Assets	15	150
905897 2011 Ped Access - Intersection & Ramping	Transportation Services	Renewal of City Assets	CW	50
905930 2011 TMIP Richmond Rd/Westboro	Transportation Services	Strategic Initiatives	15	200
905929 2011 Cycling Initiatives	Transportation Services	Strategic Initiatives	CW	2,000
905183 TMP Supplementary Transit Network	Transit Services - TTC	Renewal of City Assets	CW	1,000
905996 Transit Corridor Protection 2011	Transit Services - TTC	Renewal of City Assets	CW	2,000
905994 Park and Ride Facilities 2011	Transit Services - TTC	Renewal of City Assets	CW	2,100
905997 Transportation Master Plan 2011	Transit Services - TTC	Renewal of City Assets	CW	500
905765 Swan's Way S – Integrated Loc Imp	Integrated Roads, Water & Wastewater	Renewal of City Assets	11	480
905865 Meadowlands Area Watermains	Integrated Roads, Water & Wastewater	Renewal of City Assets	8	7,600
906040 Infrastructure Assessment & Data Collect	Integrated Roads, Water & Wastewater	Renewal of City Assets	CW	3,890
906041 Scoping Pre / Post Engineering	Integrated Roads, Water & Wastewater	Renewal of City Assets	CW	400
906042 R-O-W / Easement Adjustments	Integrated Roads, Water & Wastewater	Renewal of City Assets	CW	300
906043 Guidelines, Specs & Engineering	Integrated Roads, Water & Wastewater	Renewal of City Assets	CW	200
906044 Surveys & Mapping - 2011	Integrated Roads, Water & Wastewater	Renewal of City Assets	CW	360
906055 Dow's Lake Rd / Kippewa	Integrated Roads, Water & Wastewater	Renewal of City Assets	17	300
904085 Bank St (Queensway to Rideau Canal)	Integrated Roads, Water & Wastewater	Renewal of City Assets	17	22,000
904498 Cave Creek Collect Flood Control Measure	Integrated Roads, Water & Wastewater	Renewal of City Assets	15	5,720

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
904891 Hwy 417 Water TransMain - Carling	Integrated Roads, Water & Wastewater	Renewal of City Assets	16	33,600
904895 ORAP-Rockcliffe West Design	Integrated Roads, Water & Wastewater	Renewal of City Assets	13	7,860
906002 Somerset (Preston-Booth)	Integrated Roads, Water & Wastewater	Renewal of City Assets	14,15	6,380
906045 Intensification Studies - 2011	Integrated Roads, Water & Wastewater	Renewal of City Assets	CW	500
906056 Albert St (City Center-Bronson)	Integrated Roads, Water & Wastewater	Renewal of City Assets	14	610
905890 Dalmeny Rd (Stagecoach-Bank)	Integrated Roads, Water & Wastewater	Renewal of City Assets	20	1240
906063 Road Resurfacing - CW	Integrated Roads, Water & Wastewater	Renewal of City Assets	7,16,17	565
906064 Resurfacing - NCCP	Integrated Roads, Water & Wastewater	Renewal of City Assets	1,5,9,19,13,14,15,16,20,22	9,499
906116 Lifecycle Renewal Fleet - General	Fleet Services	Renewal of City Assets	multiple	914
906120 Municipal Garages Equipment Replacement	Fleet Services	Renewal of City Assets	CW	100
903626 Bookmobile Replacement 2011	Ottawa Public Library	Renewal of City Assets	CW	250
905766 General Repairs and Maintenance 2011	Ottawa Public Library	Renewal of City Assets	CW	250
905767 Furniture and Equipment 2011	Ottawa Public Library	Renewal of City Assets	CW	250
905768 IT Library Computers and IT Equipment 2011	Ottawa Public Library	Renewal of City Assets	CW	200
905769 IT ILS/Desktop Maintenance 2011	Ottawa Public Library	Renewal of City Assets	CW	200
905772 IT Web Based Library Services Maintenance 2011	Ottawa Public Library	Renewal of City Assets	CW	100
905778 Vehicle Replacement 2011	Ottawa Public Library	Renewal of City Assets	CW	75
906028 Buildings-Heritage - Library (Library Facilities)	Ottawa Public Library	Renewal of City Assets	CW	25
906028 Buildings-Heritage - Library (Library Facilities)	Ottawa Public Library	Renewal of City Assets	CW	40
906028 Buildings-Heritage - Library (Library: Main)	Ottawa Public Library	Renewal of City Assets	14	186
906028 Buildings-Heritage - Library (Library: Orleans)	Ottawa Public Library	Renewal of City Assets	2	35

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
906028 Buildings-Heritage - Library (Library: Osgoode)	Ottawa Public Library	Renewal of City Assets	20	129
906028 Buildings-Heritage - Library (Library Rideau Street)	Ottawa Public Library	Renewal of City Assets	12	55
905779 Signage 2011	Ottawa Public Library	Strategic Initiatives	CW	50
905770 IT Self Checkout Systems 2011	Ottawa Public Library	Strategic Initiatives	CW	125
905771 Library Retrofits 2011	Ottawa Public Library	Strategic Initiatives	CW	560
904360 Smart Bins 2011	Ottawa Public Library	Strategic Initiatives	CW	100
904858 IT RFID 2011	Ottawa Public Library	Strategic Initiatives	CW	250
903950 OPL Foundation Capital Campaign 2011	Ottawa Public Library	Strategic Initiatives	CW	50
905055 Innovation & Strategic Initiatives 2011	Ottawa Public Library	Strategic Initiatives	CW	150
906036 Accessibility - Library (Library facilities)	Ottawa Public Library	Strategic Initiatives	CW	10
906036 Accessibility - Library (Library: Alta Vista)	Ottawa Public Library	Strategic Initiatives	18	75
905486 Facility Lifecycle - 2011	Police Services	Renewal of City Assets	unspecified	2,039
906046 Fleet Replacement Program	Police Services	Renewal of City Assets	unspecified	2,543
906047 IT Mobile Workstations - 2011/2012	Police Services	Renewal of City Assets	unspecified	2,060
906048 IT Infrastructure 2011	Police Services	Renewal of City Assets	unspecified	1,037
906049 IT Storage 2011	Police Services	Renewal of City Assets	unspecified	1,255
906164 Security Upgrades - 2011	Police Services	Renewal of City Assets	unspecified	272
906165 Facility Minor Capital - 2011	Police Services	Renewal of City Assets	unspecified	440
906210 IT Telecommunications 2011	Police Services	Renewal of City Assets	unspecified	420
906211 IT Applications 2011	Police Services	Renewal of City Assets	unspecified	382
906220 Cellblock Security	Police Services	Renewal of City Assets	unspecified	350

Capital Projects	Service Area	Category	Ward	2011 Total Budgeted Costs (In Thousands - \$000)
905488 Facility Initiatives - 2011	Police Services	Strategic Initiatives	unspecified	655
906166 Facility Strategic Plan - 2011	Police Services	Strategic Initiatives	unspecified	650
906212 Strategic Growth Initiative 2011	Police Services	Strategic Initiatives	unspecified	300
906213 Business Transformation	Police Services	Strategic Initiatives	unspecified	2,275
906214 OPS Specialized Equipment	Police Services	Strategic Initiatives	unspecified	215
2011 Total Budgeted Cost of Non-Growth Capital Projects				\$521,784