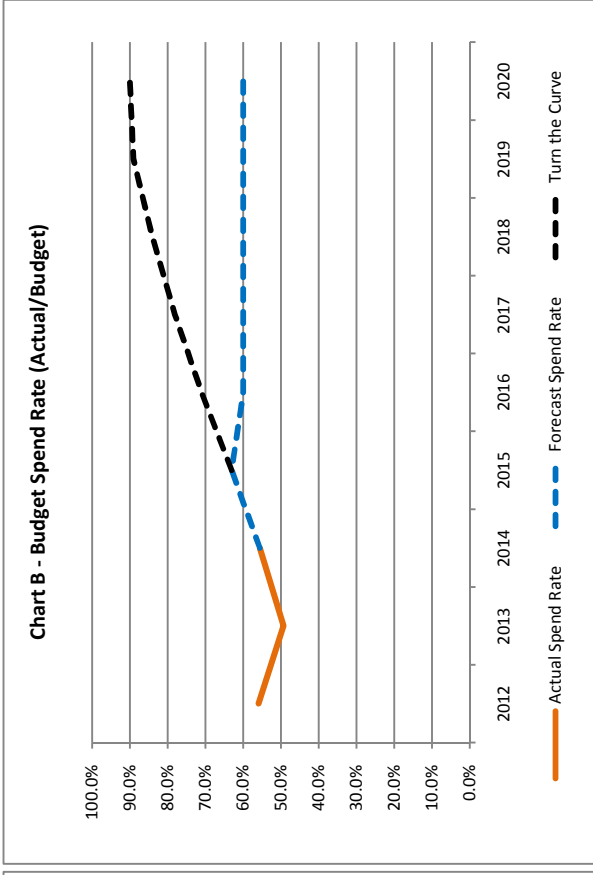
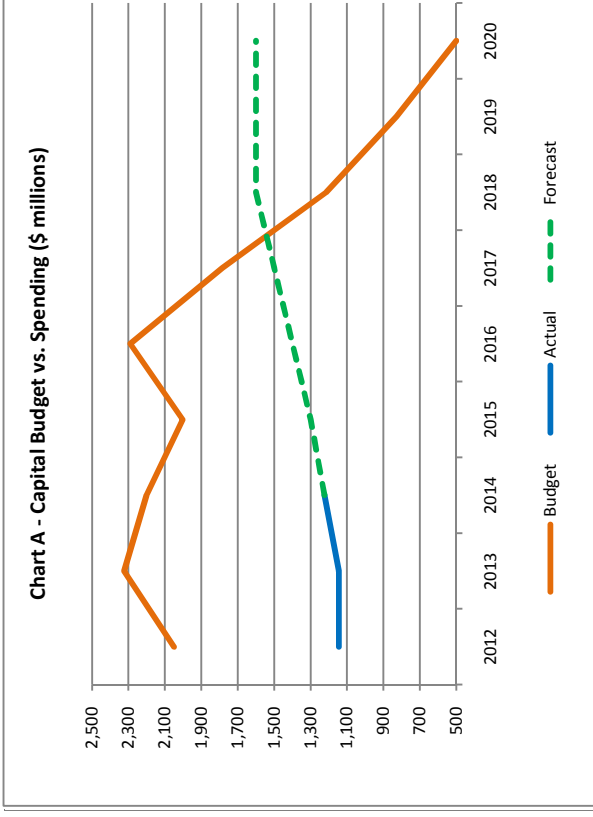


## Increase The City's Capital Spend Rate

### How are we doing



**Situation:** The City's capital budget is currently heavily weighted to spending in the current period with declines in spending in future periods. In addition, The City typically spends only 50% to 60% of the capital funding it has available in a given year.

*Chart A* – illustrates the relationship between the capital budget (orange) and actual (blue) and forecast (green) spending. The forecast does not necessarily represent what spending will likely be but is instead an indication of the direction intended with the Capital Infrastructure Investment Strategy.

*Chart B* – illustrates actual rate of capital spending (orange), anticipated rate of capital spending without undertaking the Capital Infrastructure Investment Strategy (blue), and what is intended with the successful implementation of the Capital Infrastructure Investment Strategy (black).

**Problem:** The current economic environment presents an opportunity for The City to respond to the downturn in a way that will have positive economic, financial and community benefits. Capital spending, as budgeted, does not support this response. By not effectively spending the capital budget, infrastructure expected and valued by citizens is not delivered in the most timely or efficient manner. This can negatively impact The City's credibility and reputation, and citizen expectations, and does not align with Council's Priorities of a Well Run City and a Prosperous City.

**Solution:** Administration is proposing an Capital Infrastructure Investment Strategy that will provide economic stimulus and stability, job creation and build infrastructure expected and valued by citizens. This strategy will advance spending into those periods when it will have the most impact. The City will also examine and address constraints to its ability to deliver capital projects. This will result in more of the capital budget being spent when intended and will result in a legacy of infrastructure valued and desired by the community.

A note about Results-Based Accountability (RBA) – these charts and accompanying narrative introduce some of the principles of Results-Based Accountability. As the Infrastructure Investment Strategy evolves, a more systems-based approach to RBA will be included as part of the reporting processes.