

# **2018 Budget Overview Capital**

**January 11, 2018**

# Presentation Overview

- Asset Management
- Current Tangible Capital Assets
- Capital Summary
- 10-Year Capital Plan
- Historical Capital Trends and LTFP to 2027
- Review of Departmental Capital Budgets

# Asset Management

## Sustainable Service Delivery

The objective of asset management is to maximize benefits, manage risk, and provide satisfactory levels of service to the public in a sustainable manner.

City Current Infrastructure:

<u>Asset Management Plan</u>	<u>Estimated Replacement Value</u>	<u>Current Asset Backlog</u>
Buildings	251,498,204	17,264,650
Roads	267,898,000	12,671,000
Bridges and Culverts	45,536,000	331,000
Sidewalks and Paths	37,639,000	4,322,000
Traffic Signals/Street Lights	23,008,000	576,842
Municipal Fleet	22,736,362	7,927,443
	<u>648,315,566</u>	<u>43,092,935</u>



The next version of the City’s AMP will also include assets, such as, ITT Infrastructure, GSDL equipment/ furnishings, Protective Services’ equipment that meet the criteria of an asset but was not included in the initial AMP.

# Asset Management

## New Municipal Asset Management Planning Regulation

On Dec 13, 2017, the Province approved a new regulation that took effect Jan 1, 2018.

O. Reg 588/2017 sets out new requirements for undertaking asset management planning. All provisions will take effect over the next term of Council, and include that all municipal governments:

- have a finalized initial strategic asset management policy.
- adopt an asset management plan for all of its municipal infrastructure assets, that discusses current levels of service and the cost of maintaining those services. The municipality is to set the technical metrics and qualitative descriptions for its other assets, and that
- asset management plans shall include a discussion of proposed levels of service, the assumptions related to the proposed levels of service, what activities will be required to meet proposed levels of service, and a strategy to fund the activities.

The Ministry of Infrastructure is proposing, beginning in 2025 to collect information from municipal asset management plans, such as levels of service and financial planning information through the Financial Information Return (FIR). After the initial FIR submission in 2025, municipalities would submit asset management planning information every time their plan is updated (at least every 5 years).

# Tangible Capital Assets

As of January 1, 2017

<b>Asset Class</b>	<b>Original Asset Costs</b>	<b>Amortization</b>	<b>Net Book Value</b>
Land/Yard	\$15,976,005	\$2,254,938	\$13,721,067
Buildings	\$80,402,347	\$32,330,522	\$48,071,825
Road Network	\$149,951,790	\$67,704,444	\$82,247,346
Machinery & Equipment	\$32,476,669	\$19,042,674	\$13,433,995
Other	\$915,997	\$364,466	\$551,531
Subtotal	<u>\$279,722,808</u>	<u>\$121,697,044</u>	<u>\$158,025,764</u>
Computers	\$4,186,341	\$2,740,093	\$1,446,248
Vehicles	\$21,783,198	\$12,002,266	\$9,780,932
Subtotal	<u>\$25,969,539</u>	<u>\$14,742,359</u>	<u>\$11,227,180</u>
Total Tangible Capital Assets	<u>\$305,692,347</u>	<u>\$136,439,403</u>	<u>\$169,252,944</u>

It is important to note that the assets noted above have an estimated replacement value of \$648M, which is 4 times greater than the current net book value.

# Capital Summary

	<u>'17 Budget</u>	<u>'18 Submission</u>	<u>LTFP (Yr 1)</u>	<u>Varaince to LTFP</u>
<b>Capital Funding Sources</b>				
Federal Gas Tax	\$3,022,000	\$2,962,000	\$2,951,330	-\$10,670
Paramedic Services (Reserve)	\$497,000	\$547,000	\$909,000	\$362,000
Federal Grant	\$999,000	\$283,000	\$600,000	\$317,000
Province of Ontario	\$3,555,500	\$2,702,500	\$1,351,000	-\$1,351,500
United Counties (GSDL Capital)	\$157,800	\$172,950	\$138,875	-\$34,075
Financing (LTD)	\$4,305,000	\$6,695,000	\$8,347,000	\$1,652,000
Net Reserves	\$1,330,000	\$1,627,000	\$1,080,000	-\$547,000
	<u>\$13,866,300</u>	<u>\$14,989,450</u>	<u>\$15,377,205</u>	<u>\$387,755</u>
<b>Less:</b>				
Gross Capital Costs	-\$15,230,500	-\$17,862,700	-\$17,610,500	\$252,200
<b>Total Capital funded by taxation</b>	<u><u>-\$1,364,200</u></u>	<u><u>-\$2,873,250</u></u>	<u><u>-\$2,233,295</u></u>	<u><u>\$639,955</u></u>
	% increase	110.62%	28.66%	
	\$ increase	\$1,509,050	\$639,955	

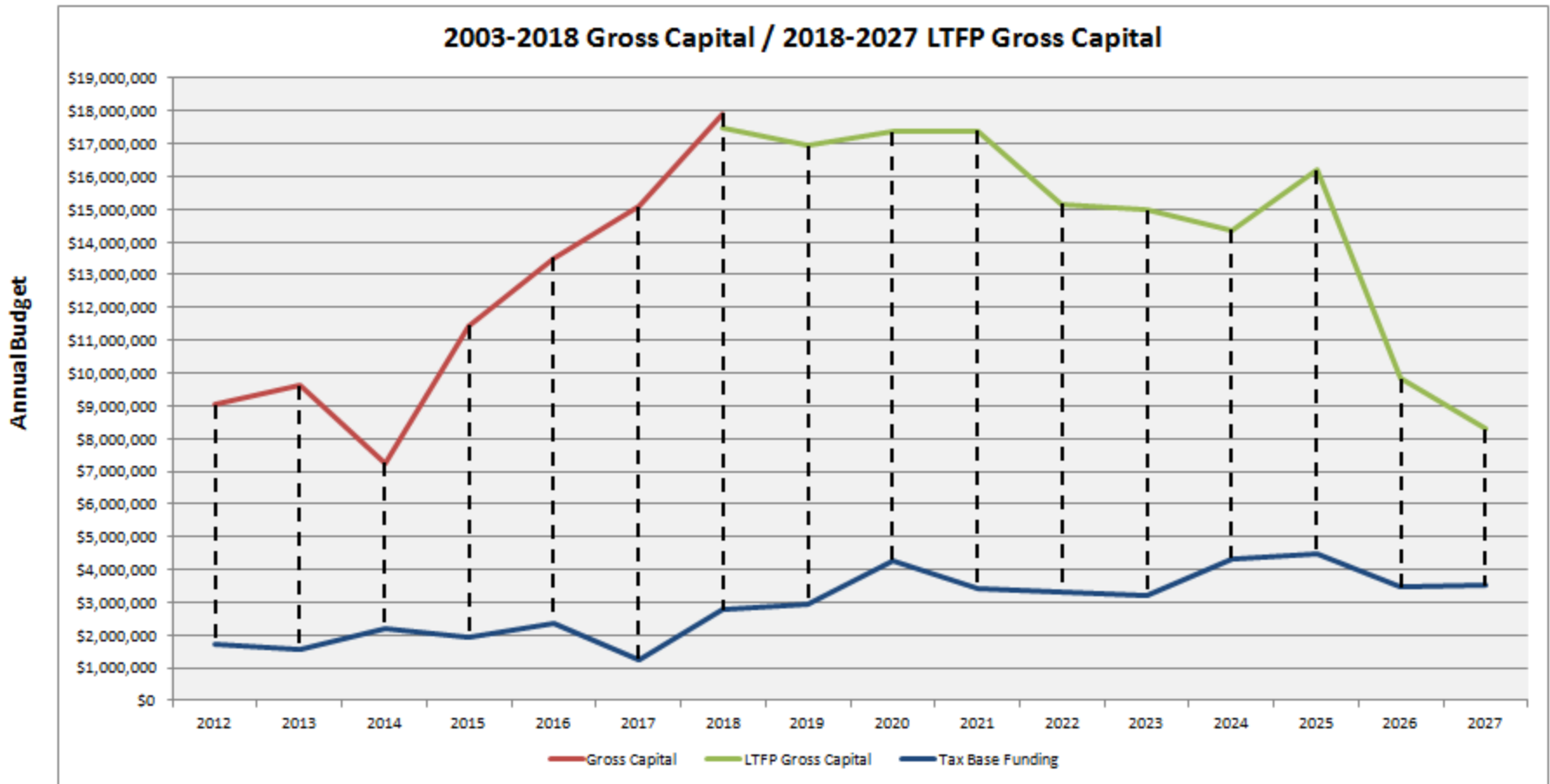
The Long-Term Financial Plan estimated Gross Capital Costs of \$17,610,500 and \$2,233,295 to be funded by taxation. There is a variance of \$639,955 between the 2018 Budget Submission and the City's LTFP.

# 10-Year Capital Plan

Department	Forecast									
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Financial Services	430,000	450,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
GSDL	555,500	510,000	510,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000
Paramedic Services	1,449,000	672,000	415,000	749,000	647,000	1,443,000	556,000	1,007,000	524,000	600,000
Fire Services	80,000	154,000	5,184,000	650,000	60,000	87,000	-	1,000,000	60,000	60,000
Municipal Works	794,000	780,000	785,000	785,000	787,000	795,000	795,000	800,000	800,000	800,000
Roads	350,000	350,000	350,000	475,000	475,000	475,000	350,000	350,000	350,000	350,000
Buildings And Facilities	4,050,000	5,470,000	4,120,000	4,025,000	3,960,000	3,960,000	3,960,000	4,120,000	450,000	450,000
Transit Services	800,000	835,000	895,000	735,000	775,000	685,000	775,000	685,000	725,000	735,000
Infrastructure Planning	6,282,000	7,420,000	8,402,000	6,112,000	13,337,000	12,493,000	3,325,000	4,675,000	3,325,000	6,705,000
Active Transportation - Bicycle	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000
Active Transportation - Sidewalks	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000
Waste Management	500,000	450,000	450,000	550,000	500,000	500,000	500,000	500,000	500,000	500,000
Parks And Recreation	1,255,000	7,885,000	1,290,000	1,310,000	2,595,000	2,510,000	2,080,000	11,040,000	1,070,000	1,050,000
Waterfront	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Library	100,000									
Police Services	310,000	1,820,000	320,000	320,000	350,000	350,000	350,000	350,000	350,000	350,000
<b>TOTAL GROSS CAPITAL</b>	<b>17,610,500</b>	<b>27,451,000</b>	<b>23,876,000</b>	<b>17,391,000</b>	<b>25,166,000</b>	<b>24,978,000</b>	<b>14,371,000</b>	<b>26,207,000</b>	<b>9,834,000</b>	<b>13,280,000</b>
<u>Large one-time projects</u>										
Soccer Fields		(6,500,000)								
Snow Management Facility		(1,000,000)								
Police Dispatch System		(1,500,000)								
Lemay Street		(1,500,000)	(1,500,000)							
New Fire Hall			(5,000,000)							
Brookdale CN Bridge					(10,000,000)	(10,000,000)				
Arts Centre								(10,000,000)		
Pitt Street Widening										(5,000,000)
<b>TOTAL CAPITAL (excl. large projects)</b>	<b>17,610,500</b>	<b>16,951,000</b>	<b>17,376,000</b>	<b>17,391,000</b>	<b>15,166,000</b>	<b>14,978,000</b>	<b>14,371,000</b>	<b>16,207,000</b>	<b>9,834,000</b>	<b>8,280,000</b>



# Historical Capital Trends and LTFP to 2027



The difference from Tax Base funding to Gross Capital is funding from other sources, such as, debt financing, government grants, reserves.



# Capital Summary by Department

Department	2017 Gross Capital	2018 Gross Capital	FUNDING SOURCE						
			TAX BASE	GAS TAX	GRANTS	OTHER	RESERVES	COUNTIES	FINANCING
Financial Services	1,200.0	898.0	183.0				20.0		695.0
Glen Stor Dun Lodge	526.0	576.5	403.6					173.0	
Paramedic Services	497.0	982.0					547.0		435.0
Fire Services	50.0	60.0	60.0						
Municipal Works	2,526.0	2,983.0	61.0				697.0		2,225.0
Traffic Signals & Streetlighting	400.0	400.0	400.0						
Transit Services	1,998.0	835.0	75.0		283.0				477.0
Infrastructure Planning	6,312.5	7,901.0	836.5	2,912.0	2,702.5		600.0		850.0
Waste Management	400.0	1,390.0	100.0						1,290.0
Parks & Recreation Services	770.0	1,355.0	465.0	50.0			310.0		530.0
Waterfront	80.0	80.0	80.0						
Library	145.0	100.0	100.0						
Police Services	326.0	302.2	109.2						193.0
<b>Taxation Subtotal</b>	<b>15,230.5</b>	<b>17,862.7</b>	<b>2,873.3</b>	<b>2,962.0</b>	<b>2,985.5</b>		<b>2,174.0</b>	<b>173.0</b>	<b>6,695.0</b>

<b>2018 Long Term Financial Plan</b>		<b>17,610.5</b>	<b>2,233.3</b>	<b>2,951.3</b>	<b>1,951.0</b>		<b>1,989.0</b>	<b>138.9</b>	<b>8,347.0</b>
--------------------------------------	--	-----------------	----------------	----------------	----------------	--	----------------	--------------	----------------

# Financial Services

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Other	Reserves	Counties	Financing
	<b><u>ITT</u></b>							
26-5	Microsoft Office Upgrade	40.0	40.0					
26-6	SharePoint implementation	355.0						355.0
26-7	Corporate Email Replacement	73.0	73.0					
26-8	Desktop Virtualization	340.0						340.0
	<b><u>Finance</u></b>							
26-9	Upgrade Accounting System	90.0	70.0			20.0		
	<b>Total</b>	<b>898.0</b>	<b>183.0</b>	<b>-</b>	<b>-</b>	<b>20.0</b>	<b>-</b>	<b>695.0</b>

<b>2018 Long Term Financial Plan</b>	<b>430.0</b>	<b>90.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>340.0</b>
--------------------------------------	--------------	-------------	----------	----------	----------	----------	--------------

# Glen Stor Dun Lodge

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Other	Reserves	Counties	Financing
26-12	Building Requirements - Building Management Upgrades	70.5	49.4				21.2	
26-13	Building Requirements - Air Conditioning Units	15.0	10.5				4.5	
26-14	Resident Equipment	65.0	45.5				19.5	
26-15	Kitchen Equipment	75.0	52.5				22.5	
26-16	Flooring Replacement	150.0	105.0				45.0	
26-17	Building Requirements - Exterior	50.0	35.0				15.0	
26-18	Building Requirements - Retaining Wall, Fencing, and Lattice	96.0	67.2				28.8	
26-19	Building Requirements - Furniture	55.0	38.5				16.5	
<b>Total</b>		<b>576.5</b>	<b>403.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>173.0</b>	<b>-</b>

<b>2018 Long Term Financial Plan</b>	<b>556.0</b>	<b>417.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>139.0</b>	<b>-</b>
--------------------------------------	--------------	--------------	----------	----------	----------	--------------	----------

# Paramedic Services

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Other	Reserves	Counties	Financing
26-23	Ambulance Replacement	725.0				290.0		435.0
26-24	Toughbook Computers	58.0				58.0		
26-25	Ambulance Stretcher Loading System	58.0				58.0		
26-26	PAD Program (Defibrillators)	141.0				141.0		
<b>Total</b>		<b>982.0</b>	-	-	-	<b>547.0</b>	-	<b>435.0</b>

<b>2018 Long Term Financial Plan</b>	<b>1,449.0</b>	-	-	-	<b>909.0</b>	-	<b>540.0</b>
--------------------------------------	----------------	---	---	---	--------------	---	--------------

# Fire Services

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Other	Reserves	Counties	Financing
26-29	Training Centre - Site Preparation	60.0	60.0					
<b>Total</b>		<b>60.0</b>	<b>60.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>2018 Long Term Financial Plan</b>	<b>80.0</b>	<b>80.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
--------------------------------------	-------------	-------------	----------	----------	----------	----------	----------

# Municipal Works

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Other	Reserves	Counties	Financing
26-34	Municipal Works Fleet Renewal Program	795.0						795.0
26-35	Salt Management Facility	1,000.0						1,000.0
26-36	Rerouting of Utilities	400.0						400.0
26-37	Generator	30.0						30.0
26-38	Justice Building HVAC Design	80.0				80.0		
26-39	Justice Building HVAC Replacement	450.0				450.0		
26-40	Arc Flash Risk Analysis	30.0				30.0		
26-41	Renovations at Various Municipal Buildings	160.0	53.0			107.0		
26-42	Woodhouse Museum Repairs	8.0	8.0					
26-43	Justice Building Interior Repairs	30.0				30.0		
<b>Total</b>		<b>2,983.0</b>	<b>61.0</b>	<b>-</b>	<b>-</b>	<b>697.0</b>	<b>-</b>	<b>2,225.0</b>

<b>2018 Long Term Financial Plan</b>	<b>4,844.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250.0</b>	<b>-</b>	<b>4,594.0</b>
--------------------------------------	----------------	----------	----------	----------	--------------	----------	----------------

# Traffic Signals and Streetlighting

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Other	Reserves	Counties	Financing
26-47	Traffic Signal Upgrade	300.0	300.0					
26-48	Pole Replacement Program	100.0	100.0					
<b>Total</b>		<b>400.0</b>	<b>400.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2018 Long Term Financial Plan</b>		<b>350.0</b>	<b>350.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Transit Services

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Grants	Reserves	Counties	Financing
26-51	Purchase of a Conventional Bus	510.0			200.0			310.0
26-52	Purchase of a Handi-Transit Bus	250.0			83.0			167.0
26-53	Video Surveillance Security System	50.0	50.0					
26-54	Tire Balancer	25.0	25.0					
<b>Total</b>		<b>835.0</b>	<b>75.0</b>	<b>-</b>	<b>283.0</b>	<b>-</b>	<b>-</b>	<b>477.0</b>

<b>2018 Long Term Financial Plan</b>	<b>800.0</b>	<b>115.0</b>	<b>-</b>	<b>274.0</b>	<b>-</b>	<b>-</b>	<b>411.0</b>
--------------------------------------	--------------	--------------	----------	--------------	----------	----------	--------------

# Infrastructure Planning

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Grants	Reserves	Counties	Financing
26-58	Nick Kaneb Dr. Extension - Marleau to Tenth	1,800.0			1,200.0			600.0
26-59	Lemay St. Extension - MW Yard to East Limits	540.0	63.0		477.0			
26-60	Brookdale Ave - Traffic Circle Environmental Assessment	250.0						250.0
26-61	Centretown - Water St./Montreal Rd Intersections	30.0	30.0					
23-62	Asphalt Resurfacing on Various City Streets	3,000.0	450.0	2,550.0				
26-63	Structure Improvements - Boundary/CN Overpass	300.0	28.5		271.5			
26-64	Structure Improvements - Water St. Retaining Wall	600.0				600.0		
26-65	Culvert Replacement - McConnell Ave to South Branch of Raisin River	866.0		112.0	754.0			
26-66	Small Diameter Culvert Replacement	75.0	75.0					
26-67	Active Transportation (Sidewalks)	200.0	50.0	150.0				
26-68	Active Transportation (Bicycle Infrastructure)	240.0	140.0	100.0				
<b>Total</b>		<b>7,901.0</b>	<b>836.5</b>	<b>2,912.0</b>	<b>2,702.5</b>	<b>600.0</b>	<b>-</b>	<b>850.0</b>

<b>2018 Long Term Financial Plan</b>	<b>6,837.0</b>	<b>737.0</b>	<b>2,951.0</b>	<b>1,949.0</b>	<b>600.0</b>	<b>-</b>	<b>600.0</b>
--------------------------------------	----------------	--------------	----------------	----------------	--------------	----------	--------------

# Waste Management

Page	Project	Gross Capital	FUNDING SOURCE					Financing
			Tax Base	Gas Tax	Other	Reserves	Counties	
26-73	Landfill Leachate and Gas Collection Systems Upgrades	1,290.0						1,290.0
26-74	Landfill Site - Public Service Area Infrastructure Upgrades	50.0	50.0					
26-75	Diversion Facilities - Equipment and Building Upgrades	50.0	50.0					
<b>Total</b>		<b>1,390.0</b>	<b>100.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,290.0</b>
<b>2018 Long Term Financial Plan</b>		<b>500.0</b>	<b>500.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Parks and Recreation

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Other	Reserves	Counties	Financing
26-78	Aquatic Centre Pool Lighting	80.0				80.0		
26-79	Benson Centre - CN Land Acquisition	230.0						230.0
26-80	Civic Complex and Aquatic Centre Floors in Dressing Rooms	110.0	110.0					
26-81	Civic Complex Public Address / Arena Sound System	55.0	55.0					
26-82	Civic Complex Parking Lot, Exterior Stairs, and Walkway Imp	125.0				125.0		
26-83	Civic Complex Main Concourse Renovations	75.0				75.0		
26-84	Emerald Ash Borer	300.0						300.0
26-85	Bicycle / Pathway Repairs	50.0		50.0				
26-86	Playground Structure Replacement	120.0	90.0			30.0		
26-87	King George Park Washroom	50.0	50.0					
26-88	Guindon Park Road Improvements	50.0	50.0					
26-89	Docks at RCAF and Guindon Park	80.0	80.0					
26-90	Arts in the Park Improvements and Art Display Infrastructure	30.0	30.0					
<b>Total</b>		<b>1,355.0</b>	<b>465.0</b>	<b>50.0</b>	<b>-</b>	<b>310.0</b>	<b>-</b>	<b>530.0</b>

<b>2018 Long Term Financial Plan</b>	<b>1,255.0</b>	<b>645.0</b>	<b>-</b>	<b>80.0</b>	<b>230.0</b>	<b>-</b>	<b>300.0</b>
--------------------------------------	----------------	--------------	----------	-------------	--------------	----------	--------------

# Waterfront

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Other	Reserves	Counties	Financing
26-94	Waterfront Development Pointe Maligne/Lookout Point Park Enhancement	80.0	80.0					
<b>Total</b>		<b>80.0</b>	<b>80.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2018 Long Term Financial Plan</b>		<b>100.0</b>	<b>100.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Library

Page	Project	Gross Capital	FUNDING SOURCE					
			Tax Base	Gas Tax	Other	Reserves	Counties	Financing
25-3	Data Cabling	30.0	30.0					
25-3	Exterior Metal Doors	10.0	10.0					
25-3	Carpet Replacement - Children's Dept.	30.0	30.0					
25-3	Sheet Flooring - Children's Dept.	10.0	10.0					
25-3	Painting - Second Floor	20.0	20.0					
<b>Total</b>		<b>100.0</b>	<b>100.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2018 Long Term Financial Plan</b>		<b>100.0</b>	<b>100.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Police Services

Page	Project	Gross Capital	FUNDING SOURCE					Financing
			Tax Base	Gas Tax	Other	Reserves	Counties	
12-1	Police Fleet	193.0						193.0
12-1	Capital	116.0	116.0					
<b>Total</b>		<b>309.0</b>	<b>116.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>193.0</b>
<b>2018 Long Term Financial Plan</b>		<b>310.0</b>	<b>100.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>210.0</b>