


Appendix A



**Tabling Draft
2016 LRCF**

Michael Wildman, CAO

Council Meeting – Tuesday, May 24, 2016

Strategic Plan 2019

- Strategic Plan – 2019 Visions
 - Sustainable Financial Model
 - Improved Infrastructure
- Long Term Objective(s)
 - Community Hub Completed
- Key Priorities
 - Downtown Revitalization

Background

- 2016 Budget - approved in February
- Budget continues to be based on the “Pay-As-You-Go” model
 - Save, Pay Down Existing Debt & Avoid New Long Term Debt
- Long Range Capital Forecast & Reserve and Reserve Fund Policies help support “Pay-As-You-Go” model



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Discussion

- Long Range Capital Forecast (LRCF) is a snap shot in time of known upcoming Budget & Infrastructure pressures.
 - Significant reliance upon Town Master Plans
- Many factors can impact a LRCF
- Year to year, LRCF is subject to changes in priorities, funding, emerging legislation or trends, etc.



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Discussion

- Other factors which can impact LRCF include, pace of growth, inflation, Asset Management Plans, updates to Water & Wastewater models, other Master Plans, etc.
- LRCF is a dynamic tool which is reviewed and updated annually.
- LRCF is in “today’s dollars”



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Discussion

- Since the approval of the 2015 LRCF, Council has approved the tenders and financing strategy for the Downtown Revitalization which includes a rapid 5 year loan repayment
- Adjustments have been made to the draft 2016 LRCF taking into account these refined expenditure figures and financing strategy



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Discussion

- LRCF includes a Summary Sheet (by Department) as well as detailed sheets by department and category.
- Expenditures of less than \$10,000 are not included
- Funding sources are not determined by a LRCF, this is established through such things as annual Budgeting, DC By-laws, Grants, etc.



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Discussion

- Some of the increases in the total capital investment in the LRCF are in part due to the annual updating of the Asset Management Plan (AMP) modeling, which sets recommended service levels.
- The AMP model is updated based on on-going studies such as pavement condition analysis, CCTV, flow monitoring, water modeling, etc.



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Discussion

- In 2015 Council approved service levels which set the recommended annual level of investment in linear assets at \$2.610M.
- “Investment in Linear Assets” chart compares the AMP & LRCF planned investment levels.

Discussion

Investment in Linear Assets

Minimum Level of Investment	Year	2016 LRCF Planned Level of Investment
\$1,945,000	2016	4,170,686
\$2,020,000	2017	2,390,000
\$2,095,000	2018	700,000
\$2,170,000	2019	1,379,800
\$2,245,000	2020	1,982,461
\$2,320,000	2021	1,725,000
\$2,395,000	2022	2,703,347
\$2,470,000	2023	2,703,347
\$2,545,000	2024	2,703,347
\$2,620,000	2025	2,703,347
\$2,620,000	2026	2,703,347
\$25,445,000	Total	25,864,681
\$2,313,182	Average	2,351,335

Note the latter 5 years of the LRCF is shown as a lump sum, therefore the annual amount is averaged.

Discussion

- The impact of new pressures, Down-town financing and AMP objectives *may* exceed our ability to fund some projects, which will require annual monitoring
- Recent phased adjustments to DC's, potential MPAC Phase-In CVA and phased increases in the Water & Wastewater Rate Study may assist in responding to potential shortfalls



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Discussion

- There are three major projects identified in the LRCF which make up close to 1/2 of the 10 Year forecasted capital expenditures
- Down-Town Revitalization
- New Town Hall
- WPCC Growth Related Plant Upgrade (Master Water & Wastewater Study – Class Environmental Assessment)



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Down-Town Revitalization

- At the time of the 2015 LRCF, Council endorsed the acceleration of the Down-Town Revitalization project over two years
- 2016 is to be financed for the amount of \$5,790,700 (rapid debt repayment)
- 2017 is to be funded through Reserve Funds for the amount of 4,177,121



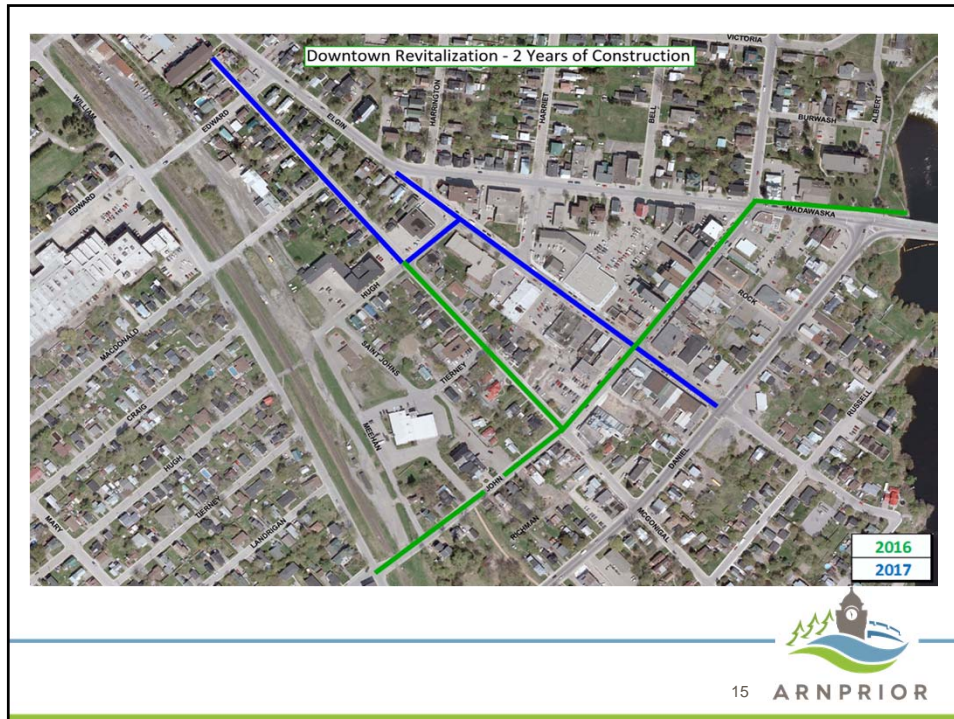
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Down-Town Revitalization

- Rapid debt repayment and use of reserves for a net gain upholds pay-as-you-go principles
- Grant funding could assist with the Down-Town Revitalization project (or offset other pressures), should it be available
- Rapid repayment of the 5 year loan over 2017-2021 will impact available funds for capital projects



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WPCC Plant Upgrade

- The 2026 WPCC upgrade was forecasted in the 2013 Water and Waste Water Master Plan based on the population projection trending and wet weather conditions
- The population projections are considered ambitious – for planning purposes will allow more time to flow monitor and plan accordingly

WPCC Plant Upgrade

- The actual pace of growth over time combined with the Town's aggressive sewer separation program (provide greater WPCC capacity), expansion of the WPCC could conceivably be postponed
- Best practice based annual flow monitoring will be required to ensure just in time delivery of the WPCC expansion



LRCF

- Summary Sheet
- Detailed Departmental Sheets



LRCF - Summary

Department	2017	2018	2019	2020	2021	2017-2021 Total	2022-2026 Total	10 year Total
Corporate Services	172,000	140,000	55,000	35,000	95,000	497,000	325,000	822,000
Fire	79,000	335,000	25,000	25,000	23,500	487,500	2,366,000	2,853,500
Public Works	4,432,121	1,042,000	2,417,000	1,992,000	1,652,000	11,535,121	24,542,600	36,077,721
Environmental	516,725	350,000	116,000	115,000	865,000	1,962,725	14,842,000	16,804,725
Recreation	75,000	719,900	655,000	625,000	270,600	2,345,500	1,867,200	4,212,700
TOTAL CAPITAL	5,274,846	2,586,900	3,268,000	2,792,000	2,906,100	16,827,846	43,942,800	60,770,646
Finance Payment Downtown	1,217,160	1,217,160	1,217,160	1,217,160	1,217,160	6,085,800	0	6,085,800
TOTAL INCLUDING FINANCING	6,492,006	3,804,060	4,485,160	4,009,160	4,123,260	22,913,646	43,942,800	66,856,446



LRCF - General Gov.

Department	Project	2017	2018	2019	2020	2021	2017-2021 Total	2022-2026 Total	10 year Total
Corporate Services									
Administrative	Development Charge Study Update		35,000				35,000	35,000	70,000
Administrative	Election		30,000				30,000	30,000	60,000
Administrative	JE Evaluation		20,000				20,000	20,000	40,000
Administrative	Minor Capital	10,000	10,000	10,000	10,000	10,000	50,000	50,000	100,000
Administrative	Website Updates		20,000				20,000	20,000	40,000
Administrative	Strategic Plan			10,000			10,000	15,000	25,000
Administrative	Official Plan 5 Year Review					55,000	55,000		55,000
Administrative	Zoning 5 Year Review						0	25,000	25,000
Equipment	Corporate Security	150,000					150,000	25,000	175,000
Equipment	Server Upgrade/Replacement			35,000		30,000	65,000	0	65,000
Equipment	Desktop Upgrades		10,000		10,000		20,000	20,000	40,000
Equipment	Telephone Upgrades						0	30,000	30,000
Equipment	Network Infrastructure Updates						0	25,000	25,000
Equipment	Software Upgrades	12,000	15,000		15,000		42,000	30,000	72,000
		172,000	140,000	55,000	35,000	95,000	497,000	325,000	822,000



LRCF

General Government Highlights

- General Government
 - Facility security upgrades at multiple locations
 - More accurate identification of information technology life cycle requirements



LRCF - Fire Dept.

Department	Project	2017	2018	2019	2020	2021	2017-2021 Total	2022-2026 Total	10 year Total
Fire									
Building	Provision Additional Space (DC)						0	300,000	300,000
Equipment	Provision Additional Fire Equipment (DC)						0	80,000	80,000
Equipment	Air Cylinders, Carbon Fibre	14,000					14,000	26,000	40,000
Equipment	Fire Hose (38mm, 45mm, 65mm, H.V.)	10,000	10,000		15,000		15,000	15,000	30,000
Equipment	Minor Capital Equipment	10,000	10,000	10,000	10,000	10,000	50,000	50,000	100,000
Equipment	Breathing Air System	55,000					55,000		55,000
Equipment	Water & Ice Rescue Equipment						0	26,000	26,000
Equipment	Public Education training tool					13,500	13,500		13,500
Vehicle/Equipment	Provision Additional Fire Vehicle (DC)						0	500,000	500,000
Vehicle/Equipment	Truck 9819 Utility						0	54,000	54,000
Vehicle/Equipment	Truck 9930 Aerial						0	1,200,000	1,200,000
Vehicle/Equipment	Truck 9811 Rescue & equipment		310,000				310,000	0	310,000
Vehicle/Equipment	Truck 9810 Duty						0	47,000	47,000
Vehicle/Equipment	Watercraft 9857 Rescue						0	48,000	48,000
Vehicle/Equipment	Watercraft 9857 Rescue		15,000	15,000			30,000	20,000	50,000
Safety Equipment	Personal Protective Equipment				25,000	23,500			
		79,000	335,000	25,000	25,000	23,500	487,500	2,366,000	2,853,500



LRCF - Fire Highlights

- Previously included, the radio system has been removed from the LRCF due to unknown factors still under review by the County:
 - Type and Cost
 - Timeline for upgrades
 - Funding options (payment plan/lease, lump sum)
 - Capital or Operating expenditure



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LRCF - Fire Highlights

- Upon County decision(s) for the radio system, the estimates will be added to the budget or LRCF depending on direction
- Breathing Air System (Filling Stn.)
- Rescue / Equipment Vehicle
 - Possibility for combining two vehicles (rescue vehicle and equipment van) is being reviewed by the Fire Department for cost effectiveness



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LRCF - Public Works

Department	Project	2017	2018	2019	2020	2021	2017-2021 Total	2022-2026 Total	10 year Total
Public Works									
Building	DA Gillies Condition Assessment		25,000				25,000		25,000
Building	DA Gillies Elevator						0	250,000	250,000
Building	Provision for Depots and Domes (DC Study)						0	300,000	300,000
Building	Town Hall General Maintenance	75,000	75,000	75,000	75,000	75,000	375,000	375,000	750,000
Building	New Town Hall						0	4,215,100	4,215,100
Building	Main Floor Library - Carpet Tile Replacement (3,500 sq. ft.) and Wall Painting	50,000					50,000		50,000
Building	Library - Replace 4 Furnaces and 4 A/C Units		12,000	12,000	12,000	12,000	48,000		48,000
Building	Museum Structural						0	500,000	500,000
Building	Firehall/Police Building Life Cycling						0	20,000	20,000
Streettlights	LED Streetlighting Improvements		20,000				20,000	25,000	45,000
Vehicle/Equipment	Provision for Snow Plow (DC Study)						0	230,000	230,000
Vehicle/Equipment	Hot Box	30,000					30,000		30,000
Vehicle/Equipment	# 1 half ton (2004)			25,000			25,000		25,000
Vehicle/Equipment	#3 Half ton (2011)						0	25,000	25,000
Vehicle/Equipment	# 4 half ton (2008)						0	25,000	25,000
Vehicle/Equipment	#5 half ton (2004)			40,000			40,000		40,000
Vehicle/Equipment	# 6Tandem (2012)						0	230,000	230,000
Vehicle/Equipment	#7 meter van (2003)			25,000			25,000		25,000
Vehicle/Equipment	#9 half ton (2009)						0	25,000	25,000
Vehicle/Equipment	#10 Water Plant Van (2009)						0	25,000	25,000
Vehicle/Equipment	#12 cemetery tractor (2000)			30,000			30,000		30,000
Vehicle/Equipment	#13 Ford Tractor w/ flail (1979)				30,000		30,000		30,000



LRCF - Public Works

Department	Project	2017	2018	2019	2020	2021	2017-2021 Total	2022-2026 Total	10 year Total
Public Works									
Vehicle/Equipment	#15 5 ton sewage truck (1999)			108,000			108,000		108,000
Vehicle/Equipment	#17 Cat loader (2010)					110,000	110,000		110,000
Vehicle/Equipment	#18 Elgin Sweeper						0	110,000	110,000
Vehicle/Equipment	#25 Loader (2005)					325,000	325,000		325,000
Vehicle/Equipment	Kubota (2002) - roads			25,000			25,000		25,000
Vehicle/Equipment	Kubota (2007) - cemetery						0	25,000	25,000
Vehicle/Equipment	#77 Single Axle (2008)		230,000				230,000		230,000
Vehicle/Equipment	#78 Single Axle (2009)					230,000	230,000		230,000
Vehicle/Equipment	#121 Water Works Van(1998)		80,000				80,000		80,000
Construction	Rolling Road Rehabilitation Program (incl. Preventative Maintenance & Sidewalks)	100,000	500,000	100,000	600,000	900,000	2,200,000	5,000,000	7,200,000
Construction	Gary Cr Full Recon. /Sew/Sep - Edey St. to Second Bend			600,000			600,000		600,000
Construction	Downtown Revitalization	4,177,121					4,177,121		4,177,121
Construction	Baskin Drive West (800m) - Daniel North Property Line of School						0	1,618,000	1,618,000
Construction	Craig Street from William St. W to Mary Street Full Recons; Sewer Sep, sidewalk on one side only			75,000	575,000		650,000		650,000
Construction	Hugh St. S. from William St. W to Dead end Full Recons; Sewer Sep, watermain, sidewalk on one side only			75,000	700,000		775,000		775,000
Construction	Hugh St. N. from McGonigal to Saint Johns Way; Full reconstruction, watermain, sewer seperation, sidewalk one side only.						0	740,000	740,000



LRCF - Public Works

Department	Project	2017	2018	2019	2020	2021	2017-2021 Total	2022-2026 Total	10 year Total	
Public Works										
Construction	Elgin Street West Sanitary Sewer - McLachlin St to Madawaska Street		100,000	1,227,000			1,327,000		1,327,000	
Construction	McNab Street Sidewalk 125m (DC Study)						0	22,500	22,500	
Construction	McNab Street Sidewalk 850m (DC Study)						0	153,000	153,000	
Construction	McNab Street Sidewalk 500m (DC Study)						0	99,000	99,000	
Construction	Alicia Street Reconstruction - Watermain, sanitary, road and sidewalks.						0	1,880,000	1,880,000	
Construction	Albert St. Full Reconstruction and Sewer Separation Madawaska Street (Elgin to Daniel) Full						0	3,000,000	3,000,000	
Construction	Reconstruction (includes some new sanitary sewer, some new watermain, streetscaping/landscaping, and decorative lighting)						0	3,000,000	3,000,000	
Construction	Third Avenue from Riverview Dr. to McNab St. Full Recons; narrow road from 10m to 8.5.m wide, sidewalk on one side only, watermain and sanitary replacement.						0	1,650,000	1,650,000	
Construction	First Avenue Full Recon. - Bridge St. to End						0	1,000,000	1,000,000	
			4,432,121	1,042,000	2,417,000	1,992,000	1,652,000	11,535,121	24,542,600	36,077,721



LRCF - Public Works Highlights

- Madawaska St Full Reconstruction
 - Identified in the Water/Wastewater rate study
 - Need to coordinate mutually agreeable timing with County who are currently showing resurfacing in 2019
- Elgin St. West Sanitary Sewer Replacement
- Albert St. Reconstruction/Sewer Separation



LRCF - Public Works

- Engineering Design funding has been separated from major projects where appropriate for affordability
- Asphalt Hot Box



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LRCF - Public Works Highlights

- A structural review is being performed at the Museum. An amount of \$500,000 has been included in the latter 5 years of the LRCF. **There may be an opportunity for substantial grant funding (70%).** Staff are currently investigating
- The estimate will be updated once the review is finalized



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LRCF - Public Works

Department	Project	2017	2018	2019	2020	2021	2017-2021 Total	2022-2026 Total	10 year Total
Environmental									
Administrative	Water & Wastewater Model Update	15,000	15,000	15,000	15,000	15,000	75,000	75,000	150,000
Administrative	Water & Wastewater Study						0	175,000	175,000
Waterworks	Daniel Street WM Replacement (Pt 2) - Charles St. to Stave Court Dr. (400mm)				75,000	750,000	825,000		825,000
Waterworks	Maintenance of 400mm River Crossing from WFP to Decosta St. (1,000m) - Investigation and Check Valve		100,000				100,000	150,000	250,000
WTP	Reservoir Cleaning		10,000				10,000		10,000
WTP	Lead Treatment System - Phase 2	352,725					352,725		352,725
WTP	Filter media in all 3 filters					75,000	75,000		75,000
Pump Station # 4	Build generator enclosure	62,000					62,000		62,000
Water Tower	Repair and repaint of tower		200,000				200,000		200,000
WPCC	Blower Bldg. Roof Replacement	62,000					62,000		62,000
WPCC	Aerator Diffuser replacement						0	17,000	17,000
WPCC	Final Clarifier chain and flight			16,000			16,000		16,000
WPCC	3 - Allen-Bradley PLC 500 processors			60,000			60,000		60,000
WPCC	WPCC Plant Upgrade						0	14,400,000	14,400,000
Waste Management	Emerald Ash Borer	25,000	25,000	25,000	25,000	25,000	125,000	25,000	150,000
		516,725	350,000	116,000	115,000	865,000	1,962,725	14,842,000	16,804,725



LRCF -Public Works Highlights

- Lead Treatment System
 - Project value reduced due to favourable tender amounts



LRCF - Recreation Dept.

Department	Project	2017	2018	2019	2020	2021	2017-2021 Total	2022-2026 Total	10 year Total
Recreation									
Building	Roof Replacement (Section F)		50,400				50,400		50,400
Building	Air Conditioning (1993)		35,000				35,000		35,000
Building	Roof Replacement (Section G)		30,000				30,000		30,000
Building	Roof Replacement (Section A)		52,500				52,500		52,500
Building	Roof Replace (Section D)		234,000				234,000		234,000
Building	Header Trench					125,000	125,000		125,000
Park	Provisions for Park (DC)						0	80,000	80,000
Park	Caruso Playground						0	25,000	25,000
Dog Park	Dog Park						0	26,000	26,000
Waterfront	Waterfront Rehabilitation	25,000	25,000	25,000	25,000	25,000	125,000	125,000	250,000
Vehicle/Equipment	Parks Truck (2007)						0	30,000	30,000
Vehicle/Equipment	Parks Kabota Mower (2009)						0	30,000	30,000
Vehicle/Equipment	Tractor Mower(2005)						0	35,000	35,000
Equipment	Air Conditioning Unit (Pool & Hall)						0	35,000	35,000
Equipment	Pool Dectron			300,000			300,000		300,000
Equipment	Floor Scrubber		13,000				13,000	30,000	43,000
Equipment	Parks Mower (1994)		30,000				30,000		30,000
Pool	Pool Filtration System						0	60,000	60,000
Pool	Pool Viewing Area						0	260,000	260,000



LRCF - Recreation Dept.

Department	Project	2017	2018	2019	2020	2021	2017-2021 Total	2022-2026 Total	10 year Total
Recreation									
Arena	Desicant Arena A						0	60,000	60,000
Arena	Arena Floor (A)							600,000	600,000
Arena	Arena Floor (B)				600,000		600,000		600,000
Arena	Ice Machine (1993)		100,000				100,000		100,000
Arena	Ice Machine (2009)						0	100,000	100,000
Construction	Pave NSC Parking Lot			330,000			330,000		330,000
Construction	Pave Robt. Simpson	50,000					50,000		50,000
Tennis Court	Tennis Courts (ADHS)		30,000				30,000		30,000
Tennis Court	Tennis Courts (McLean Park)						0	145,000	145,000
Marina	Breakwater		120,000				120,000		120,000
Marina	Boat Launch						0	40,000	40,000
Marina	Marina Fingers (1+2)					120,600	120,600		120,600
Marina	Marina Fingers(3+4)						0	120,600	120,600
Marina	Marina Fingers (5+6)						0	65,600	65,600
		75,000	719,900	655,000	625,000	270,600	2,345,500	1,867,200	4,212,700



LRCF -Recreation Highlights

- Roof Replacement
 - Timing for project has been moved up to 2018
- Parking lot Paving
 - Timing for project has been moved back to 2019
- Tennis Courts addition (Recreation Master Plan – RMP) – latter 5 years
- Boat launch addition (RMP) latter 5 years



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Financial Considerations

- Due to the Down-Town Revitalization project, Reserve and Reserve Funds are being drawn down to finance the project and begin to recover by 2020
- Borrowing rates fluctuate, currently the rate has increased since the 2015 LRCF projections resulting in an increased finance payment of approx. \$10,000 per year



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Financial Considerations

- If borrowing rates continue to increase upward, the loan could be debentured earlier in 2016.
- Should the loan be debentured, the impact in 2016 will be solely the interest payable on the loan for approximately \$8,000 per month.



Reserve & Reserve Fund

Reserve & Reserve Fund	2016	2017	2018	2019	2020	2021
Opening Balance	9,692,552	10,558,284	8,234,520	8,669,352	8,648,016	9,275,615
Add: Contributions	3,805,099	4,168,242	4,238,892	4,463,824	4,636,759	4,534,211
Less: Expenditures	(8,669,087)	(5,274,846)	(2,586,900)	(3,268,000)	(2,792,000)	(2,906,100)
Subtotal	4,828,564	9,451,680	9,886,512	9,865,176	10,492,775	10,903,725
Financing / (Financing Repayment)	5,790,700	(1,217,160)	(1,217,160)	(1,217,160)	(1,217,160)	(1,217,160)
Closing Balance	10,619,264	8,234,520	8,669,352	8,648,016	9,275,615	9,686,565



Debt Retirement

- One of the key principles of the pay-as-you-go model is retirement of debt.
- Between year 2024 and 2026 four long-term loans will retire, which will allow \$456,800 of annual debt repayments be redirected to asset management.



New for 2017

- Based on completion of comprehensive long range planning studies such as the AMP, W&WW Study, Storm Study, RMP, W&WW Financial Study and upcoming Fire Master Plan, the 2017 LRCF will include an 11 to 20 year horizon column of expenditures.
- This longer forecast will undoubtedly require refinements over time



New for 2017

- The 2017 LRFC will be submitted in draft as part of the draft 2017 budget submissions
- Upon approval of the 2017 budget, staff will make any necessary revisions arising from the approval of the budget
- Council would be in a position to adopt the LRFC closer to budget timing



Next Steps

- Review & send any questions to CAO
- Staff will respond to all of Council
- Council Deliberation on June 27, 2016



Questions?



• WHERE THE RIVERS MEET •

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