

2019-2023 General Capital Financial Plan Highlights



PRESENTED BY
CITY OF COURTENAY STAFF

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General Capital Financial Plan Overview

- Capital Financial Plan is a collaborative effort by all departments and the Asset Management Working Group
- Focus on Asset Management for sustainable service delivery – as per Council's Asset Management Policy
- Emphasis on preventative maintenance to extend the life of the City's assets
- Align with and support Council's Strategic Priorities
- Maintain current levels of service

General Capital Financial Plan Overview

- The *Community Charter* requires a municipality to have a five year financial plan adopted annually before May 15th
- Proposed general capital financial plan with funding sources and seeking approval to implement into consolidated financial plan.

Asset Management's Role

Asset Management focused on:

- Risk: Operational, Technical, Financial, Legal, Social and Environmental factors (likelihood & consequence of asset failure)
- Condition Assessments, risk of in service failures, life cycle analysis and timelines for renewal of significant long term assets
- Capacity Assessment – Completion of Master Plans that support growth and development in future years (transportation, rain water, parks)

2019 General Capital Budget Overview by Area

- Total General Capital Budget in 2019 = \$9,173,421

Area	Buildings	Equipment	Land and improvements	New	Other Tangible Assets	Renewal	Grand Total
Infrastructure			30,000	460,000		3,379,705	3,869,705
Corporate Services		184,000		500,000	446,000		1,130,000
Rec & Culture	955,398	45,000	50,000			50,000	1,100,398
Fleet		1,083,851					1,083,851
Property Services	700,500						700,500
Parks			539,000	50,000			589,000
Public Works	372,967						372,967
Cemetery	35,000		205,000				240,000
Fire Services		87,000					87,000
Grand Total	2,063,865	1,399,851	824,000	1,010,000	446,000	3,429,705	9,173,421

2019 General Capital Projects by Responsibility Public Works (1/2)

				2019 Proposed Budget	2019 General Revenues	2019 Reserve for Future Expenditure	2019 New Works Reserve	2019 DCC Reserve	2019 Gas Tax Fed Grant	2019 CVRD Grant	2019 Donation
Area	Category	Project description									
Cemetery	Land and improvements	CEMETERY - NICHE DESIGN/DEVELOPMENT		108,000						108,000	
		CEMETERY - CEMETERY GENERAL WORK		50,000						50,000	
		CEMETERY - LAWN CRYPTS		32,000						32,000	
		CEMETERY - IRRIGATION		15,000						15,000	
Cemetery Total				205,000						205,000	
Fleet	Equipment	FLEET MANAGEMENT - PW SERV - HEAVY VEHICLES		524,370			524,370				
		FLEET MANAGEMENT - PW SERV - LIGHT VEHICLES		248,481			248,481				
		FLEET MANAGEMENT - PARKS SERV- LIGHT VEHICLES		236,000			236,000				
		Electric car and charging station for Council use		75,000			75,000				
Fleet Total				1,083,851		1,083,851					
Infrastructure	Renewal	ROAD PAVING - Grind and Pave program		1,200,000				305,910	894,090		
		Lerwick Overlay project Grind & Pave		800,000	36,838			763,162			
	Land and improvements	26 St & Rotary Rail Trail - Ped Crossing Lights 'Below' (East) of the tracks		30,000			30,000				
Infrastructure Total				2,030,000	36,838		30,000	1,069,072	894,090		
Parks	Land and improvements	Buckstone to Island Hwy trail (PW project)		300,000			20,538				279,462
		Misc Playground (1 replacement per year + next year design)		120,000	120,000						
		Puntledge Park Playground replacement and Bridge improvement		25,000		25,000					
		Valleyview Greenway Erosion Remediation		25,000	18,800			6,200			
		Tarling Park (Lake Trail / Arden Trail construction)		5,000	5,000						
Parks Total				475,000	143,800	25,000	20,538	6,200			279,462
Grand Total				3,793,851	180,638	25,000	1,134,389	1,075,272	894,090	205,000	279,462

2019 General Capital Projects by Responsibility

Public Works – Civic Properties (2/2)

Area	Category	Project description	2019 Proposed Budget	2019 General Revenues	2019 Reserve for Future Expenditures	2019 New Works Reserve	2019 CVRD Grant
Cemetery	Buildings	Courtenay Civic Cemetery Building- Roof Replacement	35,000			35,000	
Cemetery Total			35,000			35,000	
Property Service	Buildings	CITY HALL - Building Energy Reduction (roof ventilation)	280,000			280,000	
		CITY HALL - Roof Replacement	220,500			220,500	
		Renovation of City Hall - Foyer area	100,000	74,981	25,019		
Property Services Total			600,500	74,981	25,019	500,500	
Public Works	Buildings	CARPENTRY SHOP - Carpenter / Electrician Bay	270,000	3,981	266,019		
		PUBLIC WORKS - New Public Works Building	102,967	-	102,967		
Public Works Total			372,967	3,981	368,986		
Rec & Culture	Buildings	NATIVE SONS HALL - Roof Replacement	200,000			200,000	
		NATIVE SONS HALL - Shingles replacement	120,985	99,985	21,000		
		YOUTH CENTRE - Heating System Replacement	53,913	35,000	18,913		
		FILBERG CENTRE - Building Energy Reduction	45,000			45,000	
		SID THEATRE - Building Energy Reduction	35,000			35,000	
		NATIVE SONS HALL - Building Energy Reduction	20,000			20,000	
		MEMORIAL POOL - REPAIR CRACKS MAIN POOL	20,000				20,000
		MEMORIAL POOL - VIHA INFRA/STRUCTURE UPGRADES	15,000				15,000
		MEMORIAL POOL - MECH/ELEC UPGRADES HEAT/CHEMICAL	15,000				15,000
		FILBERG - Hydraulic Passenger Elevator replacement	11,500			11,500	
		ART GALLERY - Hydraulic Passenger Elevator replacement	11,500			11,500	
		ART GALLERY - Building Energy Reduction	7,500			7,500	
Rec & Culture Total			555,398	134,985	39,913	330,500	50,000
Grand Total			1,563,865	213,947	433,918	866,000	50,000

2019 General Capital Projects by Responsibility Engineering

			2019 Proposed Budget	2019 General Revenues	2019 Reserve for Future Expenditures	2019 New Works Reserve	2019 DCC Reserve	2019 Gas Tax Fed Grant	2019 Fed / Prov Funding
Area	Category	Project description							
Infrastructure	Renewal	MAJOR ROAD CONS - 5th ST Bridge Updgrade - Deck renewal & Painting	423,000		80,652	342,348			
		MAJOR ROAD CONS - 5th Street - Fitzgerald to Mezie Complete Streets	212,500		72,973	120,510			19,017
		STORM DRAINAGE - Glacier View Plaza Drainage improvements	146,149		10,425			135,724	
		Braidwood Road Design - Storm & Road	110,097		110,097				
		STORM DRAINAGE - Willemar Culvert	50,000			50,000			
		STORM DRAINAGE - 200 Back Rd Storm Culvert improvement	37,959		10,425			27,534	
	Renewal Total		979,705		284,572	512,858		163,258	19,017
	New	Bike Lane Fitzgerald Avenue (3 sections)	240,000			120,000			120,000
		Bike Lane Hobson Neighbourhood Route	120,000			60,000			60,000
		MAJOR ROAD CONS - Cowichan / Ryan crossing	100,000	75,250			24,750		
	New Total		460,000	75,250		180,000	24,750		180,000
Infrastructure Total			1,439,705	75,250	284,572	692,858	24,750	163,258	199,017
Grand Total			1,439,705	75,250	284,572	692,858	24,750	163,258	199,017

2019 General Capital Projects by Responsibility Rec & Culture

			2019 Proposed Budget	2019 General Revenues	2019 Unexpended Funds	2019 New Works Reserve	2019 Gas Tax Fed Grant	2019 Donation
Area	Category	Project description						
Parks	Land and improvements	Courtenay Riverway South Extension Sandpiper to Beachwood - Phase 1	30,000	30,000				
		Tarling Park gate, fencing and Hydro service	15,000	15,000				
		Park Development - McPhee Meadows	12,000	12,000				
		Rotary Trail Extension North 5th St to McPhee Meadows	7,000				7,000	
	Land and improvements Total		64,000	57,000			7,000	
	New	Partners in Parks	50,000	40,000				10,000
	New Total		50,000	40,000				10,000
Parks Total			114,000	97,000			7,000	10,000
Rec & Cultu	Buildings	LEWIS CENTRE - New AC system	330,000		255,000			75,000
		SID THEATRE - LIGHTING UPGRADE - LED THEATRE LIGHTS	25,000			25,000		
		LEWIS CENTRE - Parking Lot Reconfiguration	20,000			20,000		
		NATIVE SONS HALL - Accessible Parking Spot	15,000	15,000				
		SID THEATRE - THEATRE CAPITAL EQUIPMENT	10,000			10,000		
	Buildings Total		400,000	15,000	255,000	55,000		75,000
	Land and improvements	Martin Park Lacrosse box repair - new pickleball courts	50,000	50,000				
	Land and improvements Total		50,000	50,000				
	Renewal	FILBERG CENTRE - Drive Thru Repair	50,000	50,000				
	Renewal Total		50,000	50,000				
	Equipment	LEWIS CENTRE - Equipments > 5k	45,000			45,000		
	Equipment Total		45,000			45,000		
Rec & Culture Total			545,000	115,000	255,000	100,000		75,000
Grand Total			659,000	212,000	255,000	100,000	7,000	85,000

2019 General Capital Projects by Responsibility IT

			2019 M&E	2019 M&E
			Proposed	Reserve
Area	Category	Project description	Budget	
Corporate Services	Other Tangible Assets	Recreation Software	105,000	105,000
		New softwares	50,000	50,000
		OFFSITE BACKUP DEVELOPMENT	36,000	36,000
		Disaster Recovery Plan - Phase 1	35,000	35,000
		*Hyper-Convergence Software (complement to back up solution)	30,000	30,000
		IT security (PEN Test)	25,000	25,000
	Other Tangible Assets Total		281,000	281,000
	Equipment	MIS PC REPLACEMENT	60,000	60,000
		PHOTOCOPIERS	54,000	54,000
		LARGE FORMAT PLOTTER	30,000	30,000
		SERVER REPLACEMENT	20,000	20,000
		COUNCIL CHAMBERS AUDIO/VISUAL REPLACE	15,000	15,000
		Asset Management GIS/Tablets	5,000	5,000
	Equipment Total		184,000	184,000
Corporate Services Total			465,000	465,000
Grand Total			465,000	465,000

2019 General Capital Projects by Responsibility Corporate Services

Area	Category	Project description	2019 Proposed Budget	2019 General Revenues	2019 Unexpended Funds	2019 M&E Reserve	2019 DCC Reserve	2019 Proceeds - Asset Sales
Corporate Services	New	Strategic Land Acquisition	500,000			83,471		416,529
	Other Tangible Assets	Organization objective setting and performance measurement Software	100,000			100,000		
		Finance Budget Software	50,000			50,000		
		Great Plain Electronic Workflow Software	15,000			15,000		
	Corporate Services Total		665,000			248,471		416,529
Fire Services	Equipment	FIRE DEPT LIGHT VEHICLES	87,000			87,000		
Fire Services Total			87,000			87,000		
Infrastructure	Renewal	Road, Storm, Parks DCC Projects	400,000	248,000			152,000	
Infrastructure Total			400,000	248,000			152,000	
Property Services	Buildings	FIRE - NEW SATELLITE FIREHALL	100,000	9,414	90,586			
Property Services Total			100,000	9,414	90,586			
Grand Total			1,252,000	257,414	90,586	335,471	152,000	416,529

2019 General Capital Budget - Funding

- Overall transfer of 2019 Revenue to General Capital to fund 2019 projects and debt = \$3,052,200

	2018	2019
Transfer to General Capital - Capital Expenditures	1,419,100	939,200
Surplus - Reserve for Future Expenditures		743,500
Debt servicing cost	1,391,900	1,369,500
	2,811,000	3,052,200

- Using \$743,500 Prior Year Surplus to fund capital projects budgeted in 2018 and carried forward to 2019 (RFE)

2019 General Capital Budget - Funding

The principal sources of funding for the 2019 Capital Expenditures are:

- Machinery and Equipment and New Works Reserves
- DCC Reserves
- Gas Tax Funds

Category	2019 Proposed Budget	2019 General Revenues	2019 M&E - New Works Reserve	2019 DCC Reserve	2019 Gas Tax Fed Grant	2019 Reserve for Future Expenditures	2019 Proceeds - Asset Sales	2019 Unexpended Funds	2019 Donation	2019 CVRD Grant	2019 Fed / Prov Funding
Buildings	2,063,865	238,361	921,000			433,918		345,586	75,000	50,000	
Equipment	1,399,851		1,399,851								
Land and improveme	824,000	250,800	50,538	6,200	7,000	25,000			279,462	205,000	
New	1,010,000	115,250	263,471	24,750			416,529		10,000		180,000
Other Tangible Asset	446,000		446,000								
Renewal	3,429,705	334,838	512,858	1,221,072	1,057,348	284,572					19,017
Grand Total	9,173,421	939,249	3,593,718	1,252,022	1,064,348	743,490	416,529	345,586	364,462	255,000	199,017

2019 General Capital – Long Term Borrowing

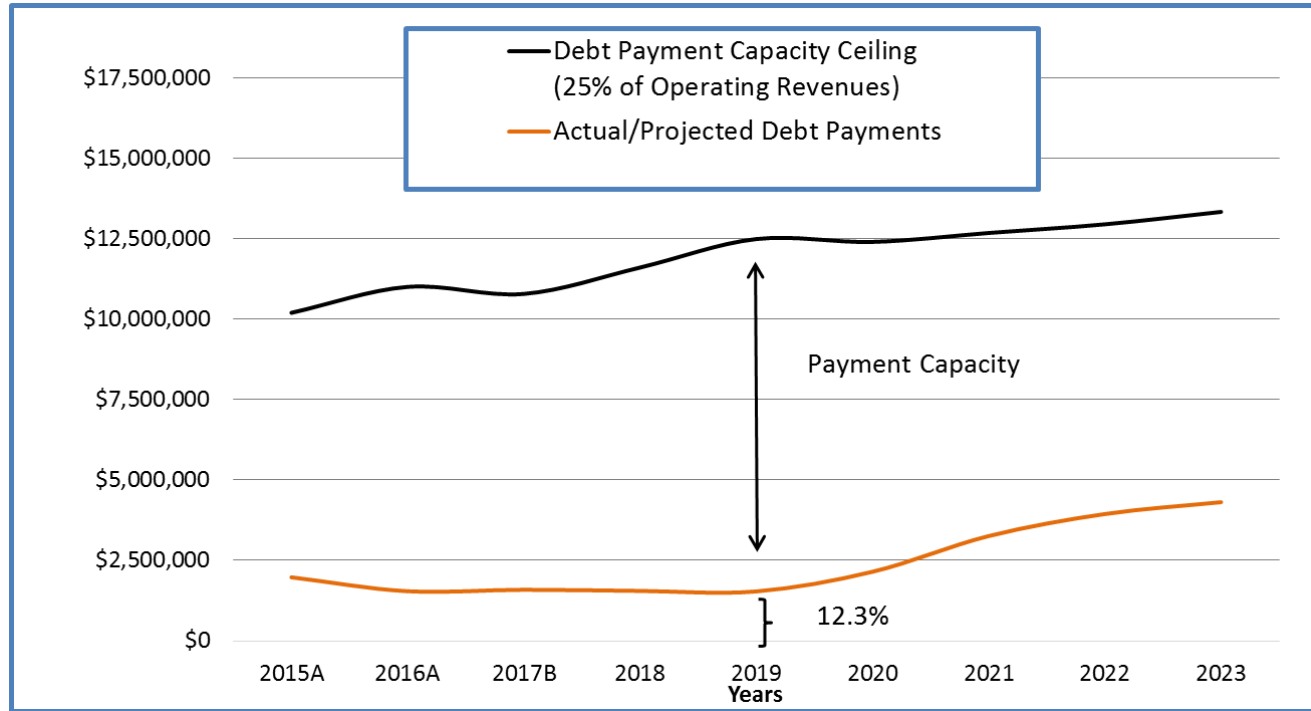
- The 2019-2023 general capital plan includes \$14.7 M of borrowing in 2020 to fund projects.
- Borrowing is a lengthy Statutory process that can take up to 8 months
- Recommended to start process shortly after final adoption of the Financial Plan to ensure funds available when needed in 2020

Borrowing Capacity - Consolidated

Including the current debt in the General, Water and Sewer funds:

- The City utilizes about **12.3%** of its total allowable debt servicing capacity in 2019
- The total allowable debt servicing capacity represents 25% of the prior year operating revenues
- With all of the new debt proposed in the 2019-2023 Financial Plan the City would then be using **32%** of it's allowable debt servicing capacity
- 2019 Total Debt Servicing Costs : \$1,538,100

Borrowing Capacity - Consolidated



Questions?