



2020 CAPITAL BUDGET

STAFF PRESENTATION TO WAWA MUNICIPAL COUNCIL
THURSDAY, FEBRUARY 13, 2020

2020 MUNICIPAL BUDGET Proposed Timelines



Council Strategic Action Plan

Priorities 2020-2022



Council Direction:

- ✓ Operating budget to increase no more than annual Cost of Living index (2020= 2%).
- ✓ Maintain expenditures at previous year's level and add increase to fund capital projects.
- ✓ Continue to build reserves and for long-term capital needs.
- ✓ Complete Asset Management Plan and build long-term budget.

THEME: FINANCIAL PLANNING

- ✓ Three Year Capital Budget (2020) - *underway*
- ✓ Public input invited into Operating Budget (March)
- ✓ Implement Water Meter Billing (2020)
- ✓ Reserve and Reserve Fund Policy & Other Policies
- ✓ Consider 1% capital tax levy in 2020
- ✓ Examine Hotel Tax
- ✓ Prepare for reductions in government funding
- ✓ Approach area mines for support \$\$\$
- ✓ Review investments and debt obligations (Aug. 2020)

Council Priorities

Capital 2020-2022



THEME: INFRASTRUCTURE

- ✓ Accessible Town Hall (architect study 2020) – review policing space use
- ✓ Arena/Community Center Maintenance – truss painting, funding application for roof, HVAC...
- ✓ Downtown Wawa Beautification – New benches/planters, Goose Nest Operations (EDC), tax sale policy -old buildings
- ✓ Complete Asset Management Plan (Phase 1 – July 2020)
- ✓ Roads – Connecting Link & School Safety Zone
- ✓ Liquefied Natural Gas (LNG) Decision
- ✓ Fire Tanker/Pumper (delivery 2020)
- ✓ Review Marina Operations
- ✓ Complete Landfill Expansion and THM Study

2020 CAPITAL

Project Evaluation Criteria



1. Health and Safety – essential and mandatory for health and safety reasons

2. Mitigates Risk – reduces risk of problems that may result in further damage

3. Legal or Other Commitment – legislated or legal agreement or identified other commitment exists.

4. Council Priority – identified as priority or suggested by Council for inclusion

5. Continuation of Approved Project – partially funded in prior years budget

6. Essential Infrastructure Maintenance – cannot meet standard level of service

7. Grant/Cost Sharing with Others – grant or cost sharing partnership confirmed

8. Improves Accessibility - meets AODA requirements and enhances accessibility

9. Innovative – results in new innovative approach to improve efficiency of providing existing service

10. Reduces Operating or Capital Costs – results in short or long-term cost saving

2020 Capital Projects – Staff Recommended *(Appendix)*

Project	Operating	Reserves	Other**	Total Project Cost
Asset Management Plan <i>(approved)</i>	-	\$12,500	\$50,000	\$62,500
LNG Study <i>(approved)</i>	\$70,000	-	-	\$70,000
Service Delivery Review	-	\$70,000	-	\$70,000
Wawa Lake Waterfront <i>(approved)</i>	-	\$7,840	\$72,160	\$80,000
Scenic High Falls <i>(approved)</i>	\$23,200	-	\$50,000	\$73,200
Main Street Furniture	-	\$9,176	\$40,824	\$50,000
Arena Truss Painting	-	\$150,000	-	\$150,000
Arena Condenser <i>(approved)</i>	-	\$125,000	-	\$125,000
Fire Air Compressor	\$35,000	\$35,000	-	\$70,000
New Fire Pumper/Tanker <i>(approved)</i>	-	\$503,000	-	\$503,000
Computer – Software Upgrade	-	\$30,000	-	\$30,000
Connecting Link <i>(approved)</i>	-	-	\$2,221,425	\$2,221,425
THM Study <i>(approved)</i>	-	-	\$25,000	\$25,000
Airport Gas Tank Replacement	\$90,000	\$90,000	-	\$180,000
Sewer Jet/ Vacuum Trailer	-	-	\$75,000	\$75,000
Landfill Expansion <i>(approved)</i>	\$95,833	\$95,833	\$383,334	\$575,000
Hydrant Installation – Water Main Valves	-	-	\$170,000	\$170,000
School Zone Road Work*	-	\$186,536	\$1,678,826	\$1,865,362
TOTAL COST	\$314,033	\$1,314,885	\$4,766,569	\$6,395,487

*Includes subject to funding

** Other inc. grants, donations and Sewer & Water User Fees

TREASURY AND CORPORATE SERVICES

Capital Budget Overview

2020 CAPITAL

1. LNG Study
2. Service Delivery Review
3. Asset Management Plan

2021-2022 CAPITAL

1. Municipal Building Accessibility
2. Accounting Software
3. Records Management

2020 CAPITAL PROJECT

Liquefied Natural Gas – Study



PROJECT DESCRIPTION

To provide \$100,000 in funding to study the LNG feasibility, business and financial plan for Wawa, Marathon, Schreiber, Manitouwadge and Terrace Bay. The total study is about \$4 million of which each community committed an equal share to fund. The Study timeframe is 2018 to 2021.

PRIORITY RANKING – HIGH PRIORITY

Council approved the contribution and study participation previously.

COST - \$100,000 previously approved by Council

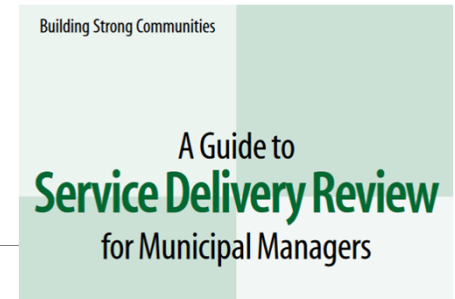
\$30,000 was spent in 2019 and \$70,000 is budgeted in 2019 from taxation

TIMEFRAME – The study is expected to take place 2019-2020.



2020 CAPITAL PROJECT

Service Delivery Review



PROJECT DESCRIPTION

Study to examine operations and compare Wawa to other municipalities and finances, programs, service levels, delivery methods and recommend efficiency improvements to operations.

PRIORITY RANKING – **COUNCIL HIGH PRIORITY**

The project is necessary to identify efficiencies which may reduce costs or improve services to ensure the long-term financial stability of municipal operations. Study critical to identify new ways of delivering core services and identify best practices that are fair to all taxpayers.

COST

\$70,000 – Possible grant funding or from Modernization Reserve Fund (\$483,000 grant received in 2019) if grant not received in 2020.

TIMING

February to May 2020 based on KPMG Contract for Study

2020 CAPITAL PROJECT

Asset Management Plan (AMP)



- Wawa, in partnership with the Townships of Dubreuilville, Hornepayne and White River, have jointly hired an Asset Management Coordinator. All four communities have applied for FCM funding for this purpose.

PROJECT DESCRIPTION

Federation of Municipalities provided a \$50,000 grant to Wawa in 2019-2020 to complete a Phase 1 Asset Management Plan. Public Sector Digest (PSD) was hired to assist with the Wawa Asset Plan to be completed by July 2020 for a cost of \$62,500.

PRIORITY RANKING – HIGH PRIORITY

Ontario Legislation requires an Asset Management Plan - Phase 1 to be completed by July 1, 2021, for core assets including municipal roads, bridges, water, wastewater and storm water capital infrastructure.

PSD has been hired to assist staff to inventory of assets, determine current levels of service measured by standard metrics, calculate costs to maintain infrastructure and align assets in a GIS mapping tool.

CAPITAL COST

\$62,500 in 2020 - \$50,000 grant and \$12,500 from Asset Management Reserve Fund



Protective Services

KEVIN SABOURIN



2020 CAPITAL PROJECT

Air Compressor, Cascade Cylinders & Fill Station

PROJECT DESCRIPTION

Includes purchase of new air compressor, cascade storage cylinders (4) and fill station for Self Contained Breathing Apparatus cylinders for Fire Protection Services.

PRIORITY RANKING – HIGH PRIORITY

Self Contained Breathing Apparatus (SCBA) units are perhaps the single most important piece of equipment available to firefighters for their health and safety. SCBA provides breathable air in an immediately dangerous-to-life or unsafe atmosphere. The compressor, cascade and fill station is essential to provide compressed breathable air to replace used air in SCBA cylinders. Current compressor is old and is costing more year after year to keep in good service. Mechanical parts are continually failing and replacement parts are difficult to obtain and some are no longer available. This unit requires semi annually testing to obtain a Certificate of Conformance to meet the requirements of CSA Standard Z180.1-13.



2020 CAPITAL PROJECT

Air Compressor, Cascade Cylinders & Fill Station

PROJECT COST: \$ 70,000.00

To Be Funded \$35,000 from taxes & \$35,000 from General Reserves

TIMELINE:

Six months to be completed by Fall 2020.

PROJECT OUTCOME:

Firefighters will have necessary personal protective equipment to respond effectively and efficiently to extreme situations and environments that effect the community and volunteer health and safety. Ratepayers expect a certain level of service from the Fire Department and the new compressor is required to provide continuous replenishment of compressed air for SCBA cylinders for firefighters to perform safe, continuous firefighting services in extreme dangerous environments in Wawa and along the highway.



2020 CAPITAL PROJECT

New Fire Truck



PROJECT DESCRIPTION

Includes purchase a new tanker apparatus for the Fire Department consisting of vehicle, pump, compartments and accessories as necessary. Approved by Council in December 2019.

PRIORITY RANKING – HIGH PRIORITY

The Fire Department tanker apparatus is past the end of its service life. It is costing more year after year to keep in good service and mechanically parts are continually failing. It operates on gasoline which is costly and to keep it operating is more and more of a burden on the operating budget. The vehicle requires a yearly certified mechanical safety completed and during the last one it was noted that replacement parts are no longer available to purchase. This vehicle has had body refurbishment completed on it to extend the service life of the asset. Continuing to refurbish this vehicle would become more frequent and costs will continue to rise.

2020 CAPITAL PROJECT

Fire Truck



COST: **\$503,000.00** – 100% funded from General Capital Reserve (*approved in 2019*)

TIMELINE: 12 months, delivery by December 2020

PROJECT OUTCOMES:

A tanker is an essential part of our fleet as it is used to stage and/or move a large volume of water to rural areas. Although we have been able to service the old unit to keep in service, the tanker is now at the point that replacement parts are no longer available and the vehicle is beyond the normal life cycle. Firefighters require necessary vehicle equipment to respond effectively and efficiently to extreme situations and environments that occur in rural areas of the community and along the highway corridor that we are responsible for. Ratepayers expect a certain level of service from the fire department that is offered with our current fleet and by reducing the number of vehicles will hinder our response and service level.

Information Technology

JASON MORRISON



2020 CAPITAL PROJECT

Microsoft Office/Operating Upgrade

PROJECT DESCRIPTION

Upgrade current Microsoft Office and Operating Systems



PRIORITY RANKING – HIGH PRIORITY

All computer systems should be running Microsoft Office 2010 but some are still operating on Windows 7. An upgrade to computer software is necessary since the older Office software is 10 years old and we will soon be running into compatibility issues with others using the more current version.

Microsoft is not supporting Windows 7 and end of support means that they will no longer be providing any updates or security patches and municipal computer systems become more vulnerable to malicious attacks and system issues.

2020 CAPITAL PROJECT

Microsoft Office/Operating Upgrade

COST: \$30,000

FUNDED: 100% NITGC Reserve Funds

TIMELINE: By May 2020

PROJECT GOAL/OUTCOME: To be current on supported software and ensure that staff have efficient and safe software not prone to virus attacks.

SHORT & LONG-TERM BENEFIT: Computer systems up-to-date with current supported software results in efficient business processes and secure systems.



Community Services and Tourism

ALEX PATTERSON



2020 CAPITAL PROJECT

Wawa Lake Waterfront



PROJECT DESCRIPTION

Final Year of Wawa Waterfront Project. To be completed in 2020 includes:

- ❖ Signage and Marketing
- ❖ Lions' Beach Stairs
- ❖ Landscape around swales

PRIORITY RANKING – **HIGH PRIORITY (Approved and Funded in 2018-2020 with 90% Grant)**

This is a project funded by FedNor, NOHFC, Trillium and other community partners.

2020 CAPITAL PROJECT

Wawa Lake Waterfront

COST: (2020 portion remaining) **\$80,000**

\$72,160 Grant & \$7,840 Reserve Funds

TIMELINE:

Spring to September 2020

PROJECT OUTCOME:

Completion of Wawa Waterfront Upgrades

SHORT & LONG-TERM BENEFIT:

Upgrade and beautification of beachfront, improvement to water from bio-swales, new walkway, and safe playground equipment resulting in increased use and tourism to the downtown and beach. The waterfront is now more walkable and accessible with signage.



2020 CAPITAL PROJECT

Scenic High Falls Park

PROJECT DESCRIPTION

Final year of the Scenic High Falls upgrade and deliverables include;

- Replacement of washrooms
- Replacing railings
- New Site Furniture
- Construction of New Viewing Platform
- New roof on Pavilion
- New Signage

PRIORITY RANKING – **HIGH PRIORITY (Approved and funded in 2018)**

This is an ongoing project funded by Evolgen (previously Brookfield) and the Rotary Club of Wawa



2020 CAPITAL PROJECT

Scenic High Falls Park

COST: \$75,000

Grant: \$45,000 Evolugen, \$5,000 Rotary = \$50,000

Municipal Share: \$25,000

TIMELINE: Spring / Summer 2020

PROJECT OUTCOMES:

Replacement and beautification of popular tourism asset and encouraging tourism as well as building community pride. Increases the safety of the site with new viewing platform and accessible walkway. New walkways will be safer for users. Preserves and promotes an important area.



2020 CAPITAL PROJECT

Main Street Revitalization

PROJECT DESCRIPTION

The purchase of street furniture along Broadway Ave including Benches, Garbage Cans & Planters

RANKING – HIGH PRIORITY *(carried from 2019)*

COST – \$50,000

Grant (AMO) - \$40,000 + \$825 interest
Municipal \$9,175 from Reserves

TIME - Purchase by March 31, 2020



PROJECT OUTCOME/BENEFIT

Beautification to downtown area with new street furniture that is functional and accessible. New receptacles for flowers and garbage will reduce maintenance. Also, increases civic pride and grant provides good return on investment.

2020 CAPITAL PROJECT

Arena Truss Repainting



PROJECT DESCRIPTION

The re-coating of the arena truss structure as confirmed required by an engineering report will be completed in 2020 and include the sandblasting and re-coating of the arena trusses, as well as the taking down and purchase of new protective arena of netting.

PRIORITY RANKING – HIGH PRIORITY

This project is required for the facility to operate in the Fall of 2020.

COST - **\$150,000 from Federal Gas Tax Grant**

TIMELINE - To be completed in the summer of 2020

PROJECT OUTCOME - To preserve continued operations in 2020 and meet mandatory safety regulations and preserve the infrastructure.



2020 CAPITAL PROJECT

Arena Condenser Replacement

PROJECT DESCRIPTION

The replacement of the Condenser unit of the Arena and Curling Ice Plant.

PRIORITY RANKING – HIGH PRIORITY

This project is required for the facility to operate the arena and curling ice surfaces in 2020.

COST: **\$125,000 from Federal gas Tax Grant**

TIMELINE: Winter 2020

SHORT & LONG-TERM BENEFIT:

Continued operation of the facility and renewal of the asset. Health and Safety mandatory replacement ensuring longer life expectancy of the plant.



2021-2022 CAPITAL PROJECT

Arena Modernization Project



PROJECT DESCRIPTION

The replacement or repair of several key pieces of arena infrastructure including:

- HVAC system
- Lighting
- Flooring
- Roof
- Ramp
- Signage
- Lobby

PRIORITY RANKING – FUNDING BASED

Staff applied to the ICIP – Community Culture and Recreation funding stream in 2019, with announcement scheduled for Late Summer 2020. If funding received, project is slated for Design in 2021 and Construction in 2022.

Note that if the funding application is unsuccessful, all of these items will appear for consideration on future capital budgets, with Heating, Lighting, and Flooring being top priorities.

Infrastructure Services

CORY STAINTHORPE



2020 CAPITAL PROJECT

Trihalomethanes Study - THMs

PROJECT DESCRIPTION

This project started in 2016 and funding was approved 2017 for THMs study by CWWF grant. The project focus on the THMs which is a by-product of using liquid chlorine treatment and dissolved Organics passing the filtration system. Due to this, THMs have been high in Wawa drinking water supply, the Ministry requires below 100 ug/l annual average and Wawa's drinking water has exceeded this during the months of June – October annually.

PRIORITY RANKING – HIGH PRIORITY

The funding for this project ends on March 30, 2020, and staff has completed the study and review to reduce THMs in Wawa's drinking water as well reducing HAAs and aluminum residual by using a coagulant prior to filtration. This project will improve the quality of Wawa's drinking water and ensure we exceed Ministry standards.



2020 CAPITAL PROJECT

Trihalomethanes Study - THMs

COST: \$150,000

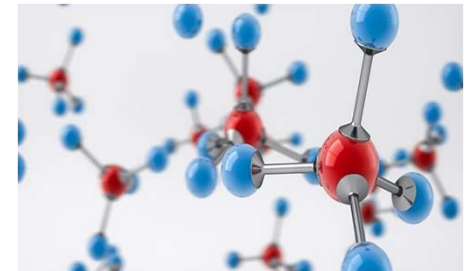
\$25,000 remaining to be spent in 2020 of total budget of \$150,000 to be funded from Water & Sewer user-pay non-tax revenue in 2020.

TIMELINE:

Completed by March 30, 2020

PROJECT GOAL/OUTCOMES:

Reduce THMs in Wawa's drinking water supply. Provide high quality drinking water to Wawa's residents and continue to exceed Ministry standards.



2020 CAPITAL PROJECT

Avgas Tank Replacement - Airport



PROJECT DESCRIPTION

This project will replace the Avgas in ground fuel tank at the Airport similar to the recent project at 26 Magpie for the fuel system upgrade. During Northwest Petroleum Equipment Ltd. Inspection at the Airport in 2019 due to Federal requirements, it was noted that the in ground fuel tank had sediment buildup from the interior lining which has settled in the tank. Due to this, the fuel system must be replaced or discontinued.

PRIORITY RANKING – HIGH PRIORITY

If the fuel system is not replaced in 2020, the Municipal Airport will not be selling Avgas fuel, resulting in loss of revenue. The revenue generated from the Municipal Airport and fuel sales aids in balancing the operating budget at the Airport. If Avgas is not a fuel source sold at the Wawa Airport, it may also reduce the revenue from parking, landing and additional fees due to aircrafts not using this Airport if they require Avgas.

2020 CAPITAL PROJECT

Avgas Tank Replacement - Airport

COST: \$180,000.00

\$90,000 taxation and \$90,000 reserves

TIMELINE: Complete by October 30, 2020

PROJECT GOAL/OUTCOME:

Remove failing fuel system and upgrade, increases the life cycle of municipal assets and maintains revenue from Avgas fuel sales supporting costs at Airport.



2020 CAPITAL PROJECT

Hydrant Installation

PROJECT DESCRIPTION

This project is to install new fire hydrants for servicing residents in area identified to ensure hydrants in the municipality service a 90 meter buffer zone.

PRIORITY RANKING – HIGH PRIORITY

This project was identified with the Connecting Link application in 2015 and council priority to include a hydrant installation with the Connecting Link project to service the 90m area near the Viking Restaurant and Apartments. The addition of this hydrant also requires the water main to be extended to in front of the Viking Restaurant.



2020 CAPITAL PROJECT

Hydrant Installation

COST: \$120,000.00 – to be funded from non-tax revenue and water and sewer user fees in 2020

TIMELINE:

Complete By October 30, 2020

PROJECT GOAL/OUTCOME:

Installation new water main and fire hydrant to service Viking apartment and Viking Restaurant, ensuring coverage of 90m hydrant zone.

SHORT & LONG-TERM BENEFIT:

Increase the life cycle of Municipal assets, increase radius of hydrants accessible for fire use and increase annual flushing maintenance of water mains.



2020 CAPITAL PROJECT

Water Main Valves

PROJECT DESCRIPTION

This project is to replace the broken water main valves located at Broadway/Caverhill and McKinley/Caverhill



PRIORITY RANKING – HIGH PRIORITY

This project is required due to water main valves that have been identified as broken and unable to use for isolating the water system,. Staff is required to isolate the water main for specific use due to main breaks, flushing and other water main maintenance. With the valves not functioning, staff must shut down several streets to isolate this area instead of a few residents. The disruption of water services can interfere with business operations in the nearby area and staff costs also increase if the area requiring isolation is extended due to failing valves.

2020 CAPITAL PROJECT

Water Main Valves

COST: \$50,000.00

To be funded from Water and Sewer User Fees in 2020

TIMELINE:

Complete By October 30, 2020

PROJECT GOAL/OUTCOME:

Installation of new water main valves

Able to isolate area for future maintenance

Increases the life cycle of municipal assets, allows staff to complete water main repairs and isolate the area instead of turning off water supply to several streets



2020 CAPITAL PROJECT

Sewer Jet / Vacuum Trailer

PROJECT DESCRIPTION

This project is to purchase a new asset for servicing the municipal sewer and storm water laterals and manholes.

PRIORITY RANKING – HIGH PRIORITY

This project is required due to the high annual operating budget costs for water and sewer department regarding thawing frozen sewer laterals, catch basins, storm laterals and manholes.

Annually staff flushes sewer and storm water mains in addition to other requirements due to blockages and laterals freezing, this equipment is critical for staff operations on a regular basis.



2020 CAPITAL PROJECT

Sewer Jet / Vacuum Trailer

COST: \$75,000.00

To be funded from Water and Sewer User Fees

TIMELINE:

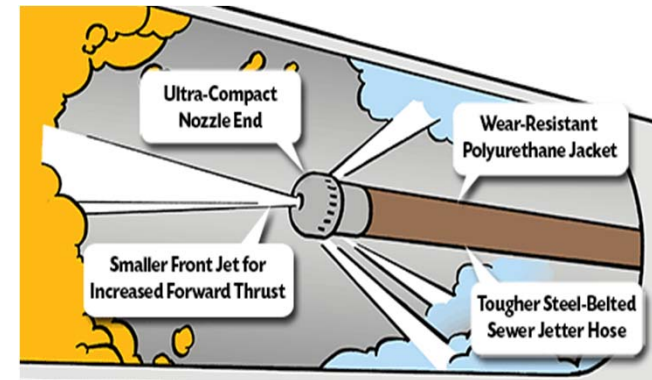
Complete By October 30, 2020

PROJECT GOAL/OUTCOME:

Purchase equipment for blocked laterals, staff response time faster to resolve blockages.

Reduces operating budget by \$20,000.00 to \$30,000.00 annually.

Increases services provided, reduce operating budget costs, faster response time for blocked laterals.



2020 CAPITAL PROJECT

Landfill Expansion

PROJECT DESCRIPTION

This project is to extend the use of current landfill site by addition of a new cell which will extend the asset for 25+ years and service the residents of Wawa providing a location to dispose of solid non-hazardous waste.



PRIORITY RANKING – HIGH PRIORITY

Project is ongoing, initial review started in 2012. Funding received from both Federal and Provincial to complete this project by 2021 with 66.66% funding from Small Communities Fund (SCF).

2020 CAPITAL PROJECT

Landfill Expansion

COST: 2020 \$575,000.00 and in 2021 \$575,000.00

To be funded from grant of \$383,334 and \$95,833 from Landfill Reserve Fund and \$95,833 from taxes.

TIMELINE

Completed by December 31, 2021

PROJECT GOAL/OUTCOME

Increases municipal asset, extends landfill use to 25+ years with addition of new cell and reconfigure the existing site layout for easier accessibility and disposal asset life increased to 25+ years and continue service residents with a landfill location reducing costs of hauling waste to another site.



2020 CAPITAL PROJECT

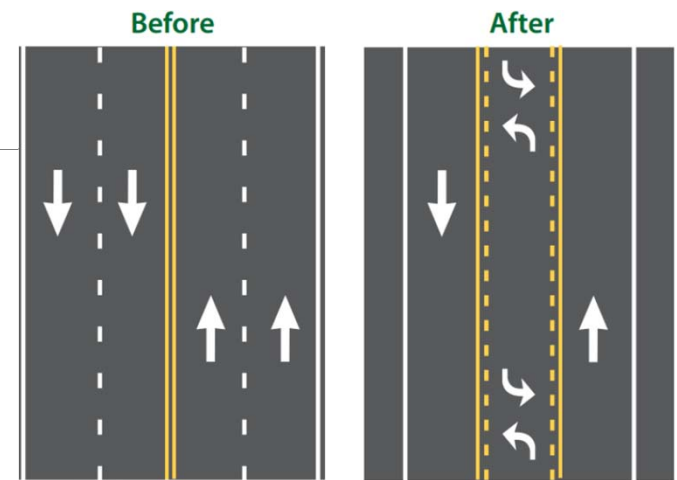
Connecting Link

PROJECT DESCRIPTION

The Connecting Link Project is a government funded 90% up to \$3 million which is for the reconstruction of HWY section going through municipalities tying into another HWY section to complete surface work to the degrading infrastructure. This project includes asphalt, curb & gutter for Mission Road from Chris Simon Drive down Main to Gladstone.

PRIORITY RANKING – HIGH PRIORITY

Project funding was received in 2019 and engineering phase has commenced. This project is critical to complete by 2021 due to funding agreements with the Connecting Link application.



2020 CAPITAL PROJECT

Connecting Link

COST:

In **2020 \$2,221,425.00** and in **2021 \$943,529.00**

Connecting Link funds 90% and other 10% to be funded from OCIF in 2020.

TIMELINE: Complete by December 31, 2021

PROJECT GOAL/OUTCOME:

Increases Municipal asset, extend road life of asphalt

Increases pedestrian safety

Increases vehicle traffic safety and flow of traffic

Asset life increased to 25+ years and increase safety to pedestrians, vehicles and bicycles.

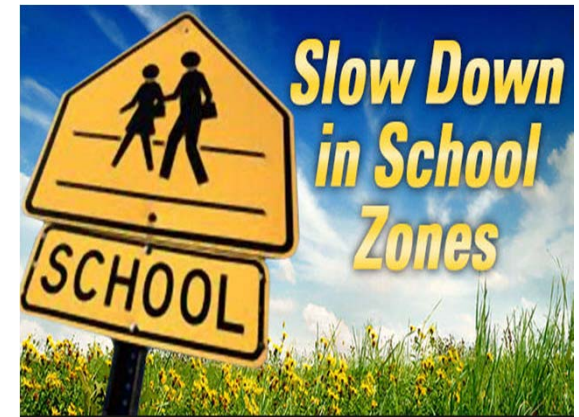


2020 CAPITAL PROJECT

School Zone Surface Rehab.

PROJECT DESCRIPTION

The school zone area was included in a traffic study identifying the area as a community safety zone, The Study recommended changes to the current layout to increase the safety of pedestrian crossing, bicycle and vehicle travel. The project is currently under review for ICIP funding which is 96% funded if approved.



PRIORITY RANKING – HIGH PRIORITY SUBJECT TO FUNDING

Project depending on funding approval, if approved this project will be priority to complete in the timelines of the agreement with the ICIP for a maximum of 96% costs funded up to 5 million.

2020 CAPITAL PROJECT

School Zone Surface Rehab.

COST: 2020 \$1,865,362.00

2021 \$1,865,362.00 and **2022** \$864,436.00

School Zone project is 96% funded up to \$4,200,000 plus \$400,371 from reserves (\$186,536 in 2020).

TIMELINE: Complete by December 31, 2022

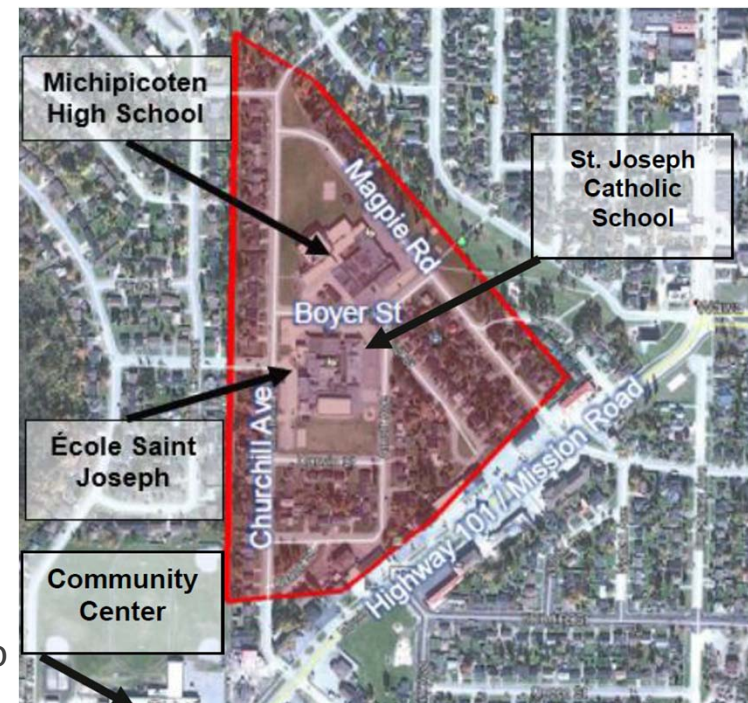
PROJECT GOAL/OUTCOME:

Increase Municipal asset, extend road life of asphalt

Increase pedestrian safety

Increase vehicle traffic safety and flow of traffic

Asset life increased to 25+ years and increase safety to pedestrians, vehicles and bus loading/unloading



2020 Capital Projects – Staff Recommended *(Appendix)*

Project	Operating	Reserves	Other**	Total Project Cost
Asset Management Plan <i>(approved)</i>	-	\$12,500	\$50,000	\$62,500
LNG Study <i>(approved)</i>	\$70,000	-	-	\$70,000
Service Delivery Review	-	\$70,000	-	\$70,000
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School Zone Road Work*	-	\$186,536	\$1,678,826	\$1,865,362
TOTAL COST	\$314,033	\$1,314,885	\$4,766,569	\$6,395,487

*Includes subject to funding

** Other inc. grants, donations and Sewer & Water User Fees

2020-2023 CAPITAL BUDGET FORECAST



2020 Capital Cost = \$6,395,487

2021 Capital Cost = \$6,300,000

2022 Capital Cost = \$5,089,436

Some Considerations:

- ❖ Projects identified are considered preliminary
- ❖ Projects included are funded based on current revenue assumptions
- ❖ Subject to funding, annual review and updated costs
- ❖ Considerations for future capital projects will be based on asset management plan, priority, available funding and grant opportunities

MULTI-YEAR CAPITAL PROJECTS 2020-2022



- **Connecting Link – \$316,496 Municipal Share (2020-21)**
 - *Doesn't include any new sewer, water or sidewalks*
- **School Safety Zone – \$454,966 Municipal Share (2020-22)**
 - *Subject to funding (Spring 2020)*
- **Community Centre Upgrades – \$800,000 Municipal Share (2021-23)**
 - *\$1.61 Loan Debenture Payment due August – Currently Investigating Refinancing*
- **Town Hall Accessibility Renovations – \$2,000,000 Municipal Share (2021-22)**
 - *Possible consolidation of NITGC and EDC offices*

Total Projected Municipal Cost 2021-22 = \$2.38 million

2020 CAPITAL REVENUE SOURCES



- ❖ Federal Gas Tax 2020
 - \$176,253

- ❖ OCIF Grant 2020
 - \$270,157 *(NOTE: Not reflected in Reserve Funds but carried in Deferred Revenue Fund)*

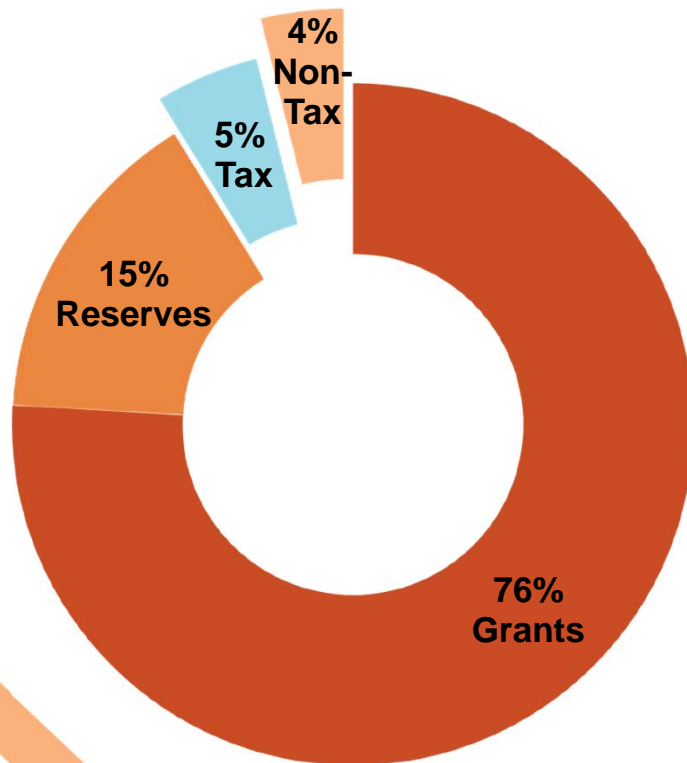
- ❖ Transfers from Operating to Capital Reserves *(property tax revenues)*
 - \$646,000

- ❖ Non-Tax Revenues (Water and Sewer User Fees)
 - \$270,000

- ❖ Grants
 - \$2,786,493



TOTAL 2020 CAPITAL Revenues and Expenses



CAPITAL BUDGET*

- Total Cost \$6,395,487 (2019 - \$4,635,086)
- Funded from Taxation \$314,033 (2019 - \$ 427,111)
- From Reserves \$977,769 (2019 - \$1,200,669)
- From Grants/Other \$5,103,685 (2019 - \$3,007,306)
 - ✓ Federal - \$1,675,268
 - ✓ Provincial - \$3,127,167
 - ✓ Non-Taxation Water & Sewer - \$251,250
 - ✓ Other Funding - \$50,000

**Includes Subject to Funding – School Zone Rehabilitation
Adding \$1,865,362 to possible 2020 capital budget*



Reserves and Reserve Funds (appendix)

2019 Reserve Funds (unaudited as at Dec. 31, 2019)

Total 2019 Fund Balance	= \$7,099,754	
General Reserve Funds (discretionary)	= \$4,650,671	*General Capital – 33 accounts
Obligatory Reserve Funds (restricted)	= \$ 995,083	*Lot Levies, Federal Gas Tax
Conditional Reserve Funds (conditional)	= \$1,454,000	* NWMO, Physician Recruitment, OGT...

2020 Reserve Funds (proposed)

To be spent from Reserve Funds in 2020	= \$1,314,885
To be added to 2020 reserves	= \$ 822,254
Total Reserve Funds at end of 2020 (est.)	= \$6,607,123
Decrease in Reserve Funds at end of 2020 (est.)	= -\$ 492,631

NOTE: All Reserve Funds and New Policy under development by Finance Team and future presentation.

Financial Indicators (2018 Year End)

3. Total Reserves and Discretionary Reserve Funds as a % of Operating Expenses

- **Reserves and Discretionary Reserve Funds:** Funds set aside by Council for future needs
- **Operating Expenses:** Any expenses incurred for daily operations
- **What might it indicate:** How much money is set aside for future needs/contingencies

Potential Risk Level		
Low	Moderate	High
More than 20%	10 to 20%	Less than 10%
47.0%		

Financial Indicators (2018 Year End)

5. Debt Servicing Cost as a % of Total Revenues (less Donated Tangible Capital Assets)

- **Debt Servicing Cost:** payments on debt.
- **Total Revenues:** as reported on Schedule 10 (e.g. taxes, payments-in-lieu, grants, fees, rent, fines, income on investment) less donated tangible capital assets.
- **What might it indicate:** How much of each dollar raised is spent on debt.

Potential Risk Level		
Low	Moderate	High
Less than 5%	5 to 10%	More than 10%
2.8%		

THE CORPORATION OF THE MUNICIPALITY OF V
Capital Project Budget
2020 to 2022

Project by Function	Previous Years Costs	PROJECT COSTS				2020					Municipal Taxation		
					Total Costs	Municipal Taxation	Reserves	Grants	Other	Total			
		2020	2021	2022	\$								
Approved/Committed													
Account Management Software	CS	12	62,500		62,500		(12,500)	(50,000)		(62,500)			
LNG Project	CS		30,000	70,000	70,000	(70,000)				(70,000)			
Service Delivery Review	CS		-	70,000	70,000	(70,000)				(70,000)			
Wawa Lake Waterfront	CST		80,000		80,000		(7,840)	(72,160)		(80,000)			
Coerle High Falls Park	CST		1,800	73,200	73,200	(23,200)			(50,000)	(73,200)			
Main Street Revitalization	CST		-	50,000	50,000		(9,176)	(40,824)		(50,000)			
Arena Truss Repainting	CST		-	150,000	150,000			(150,000)		(150,000)			
Arena - Condenser	CST		-	125,000	125,000			(125,000)		(125,000)			
Air Compressor	PS		-	70,000	70,000	(35,000)				(70,000)			
Fire Truck	PS		-	503,000	503,000		(503,000)			(503,000)			
MG Office Upgrade	IT		-	30,000	30,000		(30,000)			(30,000)			
TRM Study	IS		-	25,000	25,000			(18,750)	(6,250)	(25,000)			
Air Gas Tank Replacement	IS		-	150,000	150,000	(90,000)	(90,000)			(180,000)			
Hydrant Installation	IS		-	120,000	120,000				(120,000)	(120,000)			
Water Main Valves - Caverhill/Broadway	IS		-	50,000	50,000				(50,000)	(50,000)			
Sewer Jet / Vacuum Trailer	IS		-	75,000	75,000				(75,000)	(75,000)			
Landfill Expansion	IS		-	575,000	575,000	(95,833)	(95,833)	(383,334)	(75,000)	(575,000)		(95,833)	
Connecting Link	IS		-	2,221,425	943,529	3,164,954		(2,221,425)		(2,221,425)			
Total Approved/Committed			31,800	4,530,125	1,518,529	-	6,048,654	(314,033)	(853,349)	(3,061,493)	(301,250)	(4,530,125)	(95,833)
Subject to Funding			-	-	-	-	-	-	-	-	-	-	-
School Zone Curbside Rehabilitation - IOP	ID		-	1,865,362	1,819,865	864,436	4,549,663	(186,536)	(1,678,826)	(1,865,362)			
Arena Modernization	CST		-	-	102,000	3,000,000	3,102,000						
Total Subject to Funding			-	1,865,362	1,921,865	3,864,436	7,651,663	-	(186,536)	(1,678,826)	-	(1,865,362)	-
For Future Years			-	-	-	-	-	-	-	-	-	-	(275,000)
Accounting Software	CS		-	130,000	130,000								
Records Management	CS		-	45,000	45,000								
Arena - Key Floors	CST		-	50,000	50,000								
Arena - Rink Heat	CST		-	50,000	50,000								(50,000)
Mission Park	CST		-	100,000	100,000								
Wireless Mesh Network	IT		-	40,000	40,000								
Solar Install	IT		-	15,000	15,000								
Phone System Upgrade	IT		-	30,000	30,000								
3 Maple Exterior	IS		-	100,000	100,000								
Water Valve Exercise Equipment	IS		-	50,000	50,000								
Town Hall - Accessibility	IS		-	2,000,000	2,000,000								
Truck (used)	IS		-	25,000	25,000								(25,000)
Fire Service Review	PS		-	25,000	25,000								
Tandem Truck	IS		-	100,000	100,000								(100,000)
Pumper Truck	PS		-	100,000	250,000	350,000							(100,000)
Sidewalk Rehabilitation	IS		-	50,000	50,000								
IS Building Study	IS		-	70,000	70,000								
56 Broadway Roof	IS		-	150,000	150,000								
Arena - Rink / Cutting LED	CST		-	50,000	50,000								
Arena - Hall Flooding	CST		-	75,000	75,000								
Sportsfield Track	CST		-	150,000	150,000								
Fibre Network Expansion	IT		-	200,000	200,000								
Data Capture Project	IT		-	100,000	100,000								
Total For Future Years			-	-	2,860,000	1,225,000	4,085,000	-	-	-	-	-	(275,000)
Summary - Municipality			4,530,125	1,518,529	-	6,048,654	(314,033)	(853,349)	(3,061,493)	(301,250)	(4,530,125)	(95,833)	-
Approved/Committed			4,530,125	1,518,529	-	6,048,654	(314,033)	(853,349)	(3,061,493)	(301,250)	(4,530,125)	(95,833)	-
Subject to Funding			1,865,362	1,921,865	3,864,436	7,651,663	-	(186,536)	(1,678,826)	-	(1,865,362)	-	-
For Future Years			-	2,860,000	1,225,000	4,085,000	-	-	-	-	-	-	(275,000)
Grand Total - Municipality			6,395,487	6,300,394	5,089,436	17,785,317	(314,033)	(1,039,885)	(4,740,319)	(301,250)	(6,395,487)	(370,833)	-

LONG-TERM FINANCIAL PLANNING

Long-term capital planning will assist to:

- ❖ ensure long-term financial sustainability;
- ❖ prepare for use of own funds;
- ❖ classify cost-recovery through user fees;
- ❖ properly manage capital assets;
- ❖ identify when debt financing needed;
- ❖ maintain reserve and reserve funds at appropriate levels.

2020 CAPITAL – COUNCIL OPTIONS

REVIEW 2020 CAPITAL BUDGET - February 13 to March 3, 2020

Advertise Requesting Public Input – February 17-28, 2020



REVIEW 2021-2022 CAPITAL BUDGET

Ask staff questions or for additional information

Consider options including revising project list and revenue sources

Discuss at March 4th Council Corporate Meeting



ADOPT 2020 CAPITAL BUDGET (in principle)

Motion adopting budget in principle March 4th or March 18th

QUESTIONS?

2020-2022 CORPORATE VISION

The Municipality of Wawa is a progressive, sustainable community providing a range of services for the well-being of its residents.

THANK YOU!

