



COCHRANE

2023-2025 CAPITAL BUDGET

November 16, 2022

OVERVIEW OF CAPITAL BUDGET

- 01** Capital Introduction
- 02** CapEx
- 03** Reserves & Infrastructure gap
- 04** Debt
- 05** Grants



CAPITAL INTRODUCTION



- \$344M over next 10 years, which is ambitious
- \$86M over next 3 years
- Will continue to evolve as projects are added/amended/costed/ strategized for
- Updated for changes – Horse Creek Sports Park Servicing 2024-2025 not 2026-2028

A photograph of a construction site with several large pieces of heavy machinery, including rollers and compactors, on a dirt road. The machinery is in various colors: orange, yellow, and white. The background shows a hazy landscape with some buildings and hills.

INVESTMENT IMPACT

- Building organizational capacity to deliver capital projects
- Engineering and Asset Management Section
- Supported by 1% add to capital projects this section delivers
- Procurement policy and specialist position
- Capital projects are an investment in our community as envisioned in the Strategic Plan

2023-2025

Draft budget includes capital projects totaling:

2023 - \$26.9M

2024 - \$20.1M

2025 - \$39.3M

Transportation projects include:

- Centre Ave – Phases 3 & 4
- Quigley Drive Upgrade – Phase 2
- Gleneagles Drive Upgrade – Phase 2



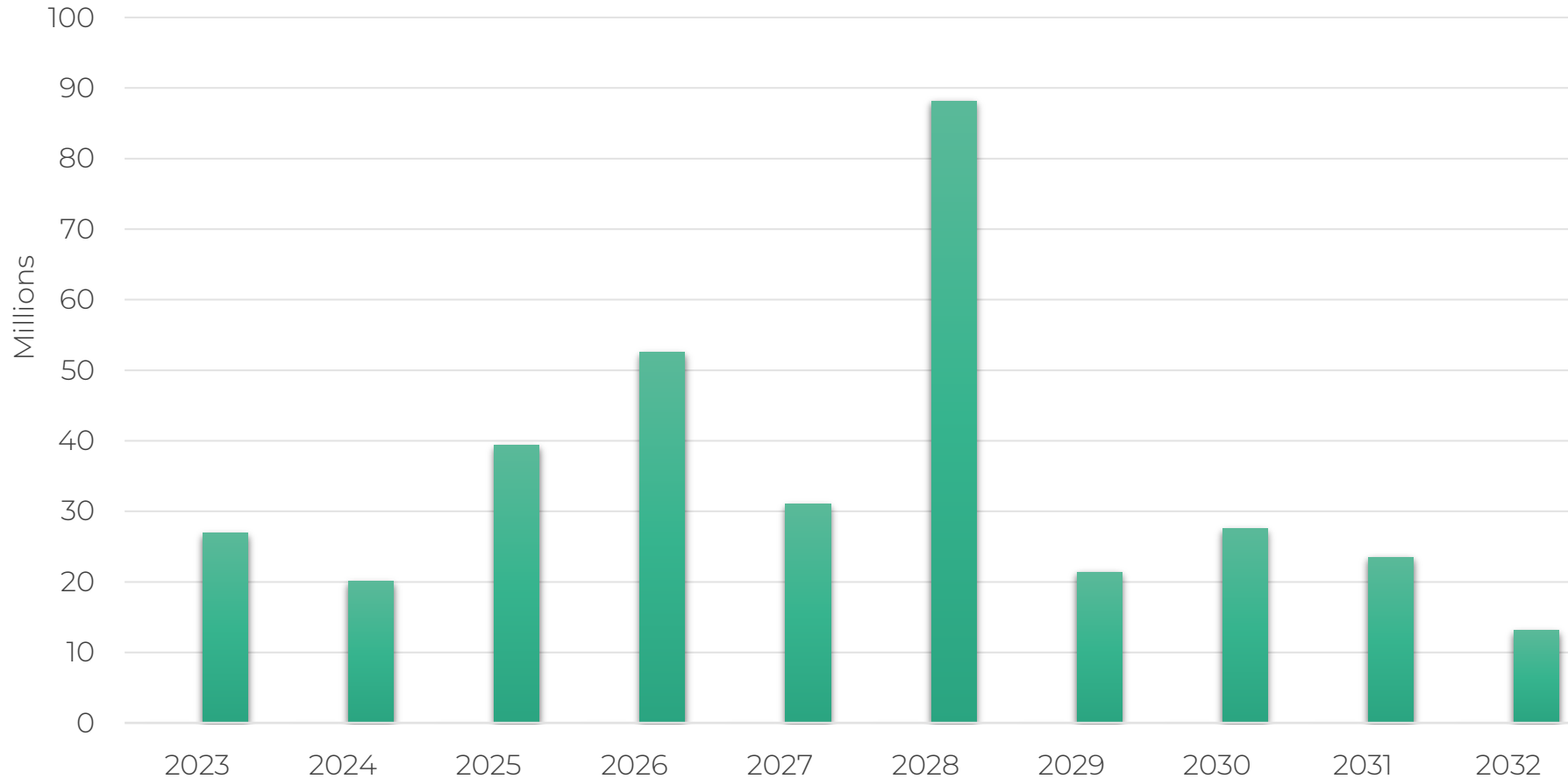


CAPITAL PROJECT HIGHLIGHTS

- Wastewater Pipeline Twinning
- Horse Creek Sports Park Servicing
- Highway 22 to Riverview Siphon
- Operations Centre
- 5th Avenue Site Servicing
- East End Storm Improvements
- Glenpatrick Drive Infrastructure Replacement

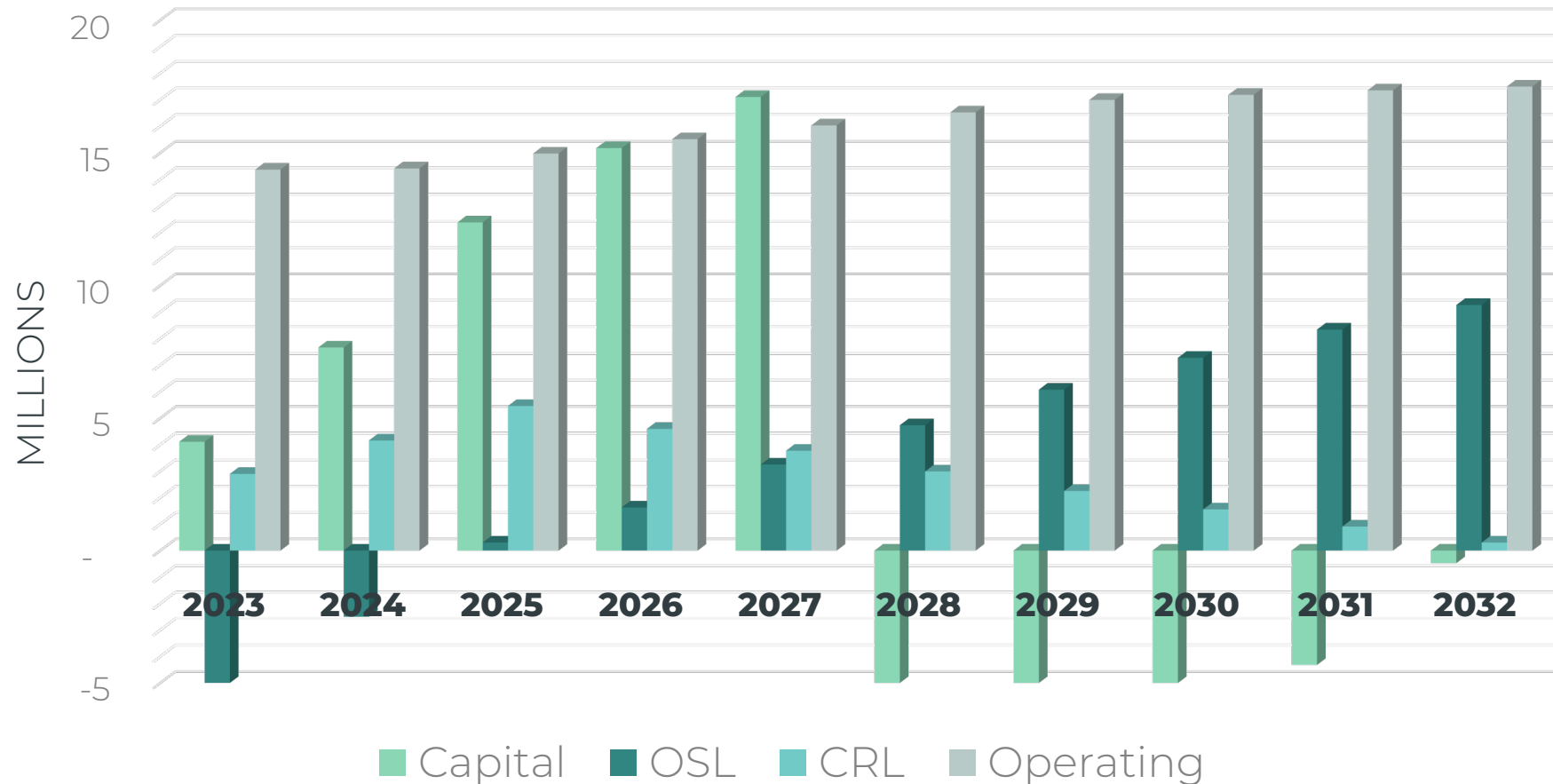
10 YEAR CAPEX

Capital Expenditures By Year



10 YEAR CAPEX

Projected Reserve Balances



ADDITIONAL RESERVE INFORMATION



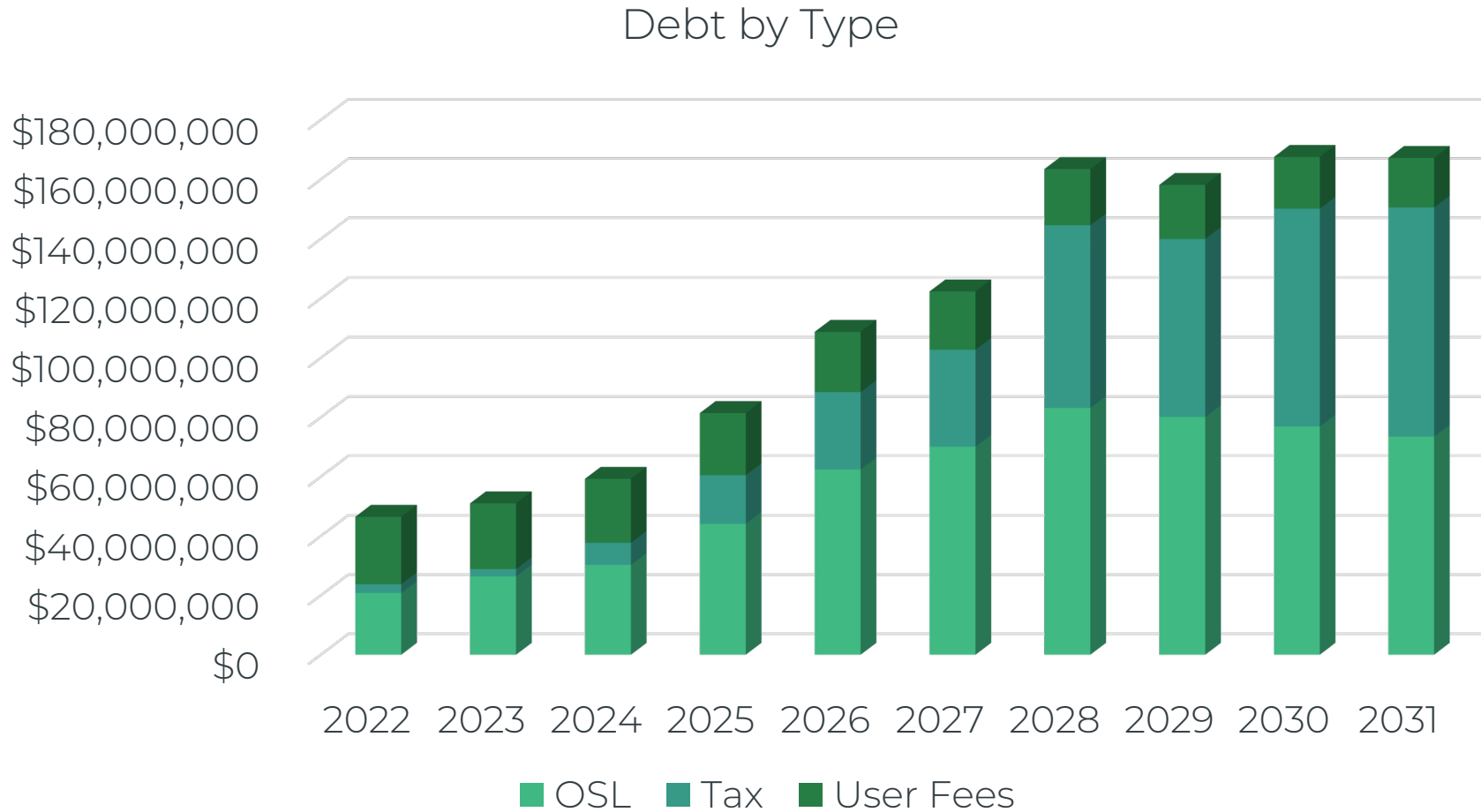
- 2023 focus is completing existing approved projects
- Many planned projects pushed out to 2024 and beyond
- Tax support for capital projects is indirectly through reserves
- Reserve contributions are insufficient:
 - 2023 capital reserve contributions = \$3.9M
 - Annual amortization = \$11M
 - Projected capital reserve balances = negative in 2028

INFRASTRUCTURE GAP



- **“Infrastructure gap”**: difference between infrastructure investment needed and resources made available to address the need
- Contribution in 2022 reduced to \$600K from \$1.2M in 2021
- 2023 contribution = \$1.2M

TYPES OF DEBT



REOCCURRING CAPITAL GRANTS



- All grants are fully used
- 2023 – 2025: \$19.6M in capital projects grant-funded
- CCBF: Assumed to continue at \$100K increase per year starting 2024
- MSI/LGFF
 - 2020 allocation = \$6,629,107
 - 2021 = \$8,351,121
 - 2022 = \$3,520,674
 - Assume 2023 is \$3.8M
 - Assume 2024 onward = +\$200K/year

QUESTIONS?

