

Staff Report

Report To: City Council
Report From: Bradey Carbert, Manager of Corporate Services
Meeting Date: March 13, 2023
Report Code: CR-23-023
Subject: Multi-Year Capital Plan

Recommendations:

THAT in consideration of Staff Report CR-23-023 respecting Multi-Year Capital Plan, City Council:

1. Approves the multi-year capital plan; and
2. Directs staff to bring forward a further update to the multi-year capital plan for subsequent approval in July 2023.

Highlights:

- The multi-year capital plan is reviewed with City Council bi-annually and covers a five year period.
- A dedicated 1% of the prior year's total levy is contributed to the annual capital reserve.
- The multi-year capital plan includes \$60.2 million in funded projects (not including water and wastewater) and an additional \$64.7 million in unfunded capital.
- Approximately 75% of the multi-year capital plan funding relates to asset management initiatives.

Strategic Plan Alignment:

[Strategic Plan](#) Priority: Clear Direction - KR2 - Align total municipal levy to Council's directed threshold each year while maintaining capital increase of 1 per cent annually

Previous Report/Authority:

February 7, 2023, Special Council Meeting: Presentation and Supplemental Information from the Manager of Corporate Services Re: 2023 Multi-Year Capital Plan Update. [View Agenda here](#).

Background:

The multi-year capital plan is reviewed with City Council bi-annually, in July and December respectively. The July review is an opportunity for an additional year's projects and budget allocations to be brought into the multi-year capital plan, along with any changes or amendments since the last meeting, for Council's consideration and approval. The December review, which occurred in February 2023 due to the 2022 Municipal Election, is an update to Council, highlighting any changes or amendments since the July update.

Analysis:

The current multi-year capital plan includes \$60.2 million in funded projects (not including water and wastewater) and an additional \$64.7 million in unfunded capital.

The capital reserve is estimated to carry a balance of \$235,000 in unallocated capital dollars at the end of the five-year horizon; however, that will likely be allocated to various projects in the event of higher prices from the purchasing process or put towards existing projects that require additional funding before the end of the five-year horizon. Approximately 75% of the funded multi-year capital plan relates to asset management initiatives.

At the Special Council Meeting held on February 7, 2023, the multi-year capital plan (2023-2027) was presented to Council in order to provide an update on any changes that have occurred to projects since the last multi-year capital plan review in July 2022.

As per the motions that occurred at the Special Meeting, the following amendments were made to the multi-year capital plan that was presented at the February 7 meeting:

- The budget for Project 23M.2 – General Facilities Bottle Fill Stations was amended toward outdoor water bottle fill stations and water fountains.

- The budget for Project 23U.16 – Fire Utility Vehicle (2500 4x4 Pick-Up Truck) was removed pending the completion of the Corporate Fleet Management Strategy. Staff were directed to look into the City’s current fleet complement to see if any appropriate vehicles would be available for the Fire Department’s needs.

Financial Implications:

The multi-year capital plan includes \$60.2 million in funded projects.

\$85,000 has been unallocated in the five-year capital plan as a result of removing the budget line item for Project 23U.16 – Fire Utility Vehicle (2500 4x4 Pick-Up Truck). This project will be reconsidered upon the completion of the Fleet Management Strategy.

Communication Strategy:

A verbal presentation on the multi-year capital plan was made to Council accompanied by a comprehensive multi-year capital plan document, including detailed capital project sheets for projects in 2023, 2024, and 2025.

This report to Council serves as a follow up to those communication pieces.

The Multi-Year Capital Plan Budget Book will be posted to the City’s [Budget and Finance](#) webpage.

Consultation:

Sheyenne Hooghiem, Asset and Risk Management Coordinator

All staff and management boards are involved in the development of the budget.

Attachments:

Multi-Year Capital Plan – Project Summary

Recommended by:

Bradey Carbert, Manager of Corporate Services

Kate Allan, Director of Corporate Services

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Bradey Carbert, Manager of Corporate Services at bcarbert@owensound.ca or 519-376-4440 ext. 1240.