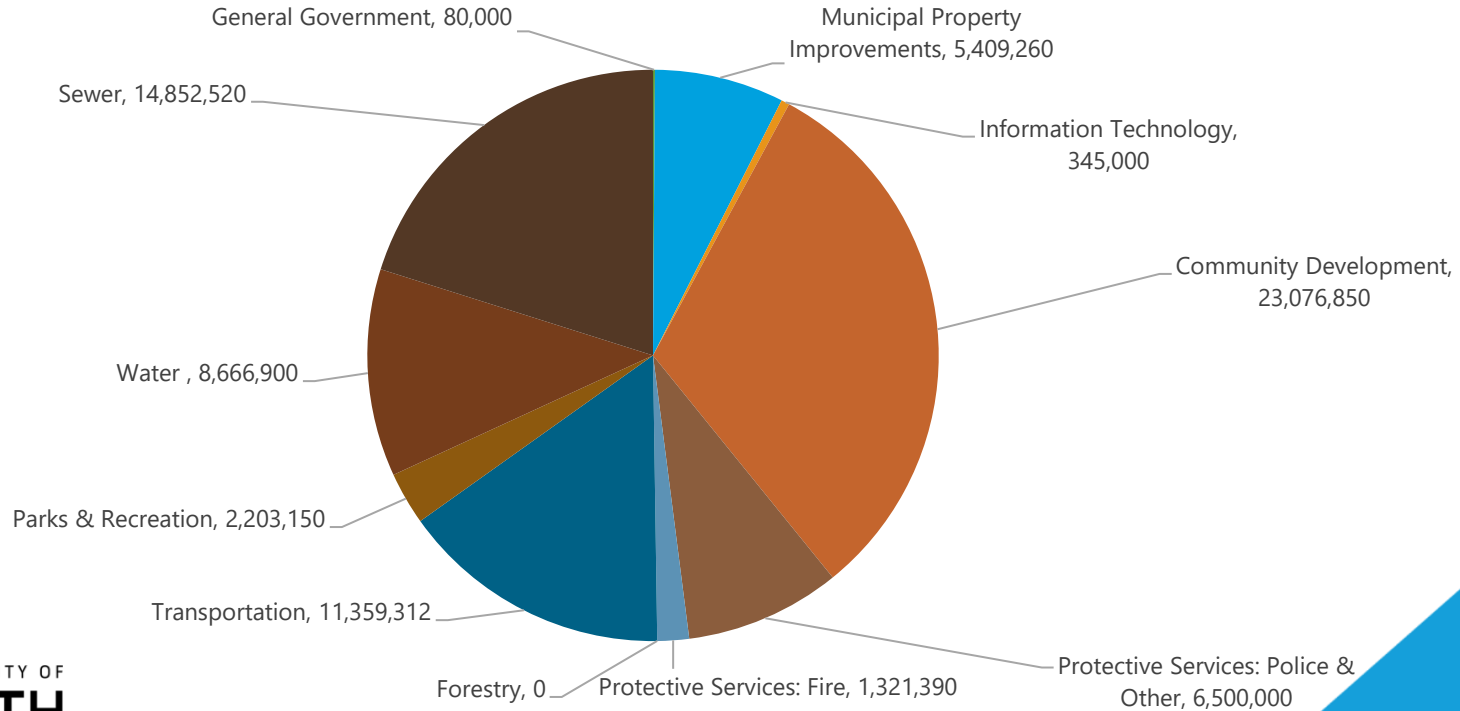


Municipality of North Cowichan 2024 – 2028 Capital Expenditure Program

Dec 12, 2023

2024 Total Capital Plan



Asset Management

North Cowichan is making strides towards funding Asset Management:

- *\$4.4M for general capital*
- *\$125K for Fuller Lake Arena (increasing \$50K per year)*
- *\$200K for Cowichan Aquatic Centre (increasing \$50K per year)*
- *\$500K for Fire Equipment (increasing \$25K per year)*
- *\$250K for Infrastructure Replacement*
- *\$400K proposed for the Building Reserve*

Sources of Financing

- Capital projects are financed through a variety of sources, including:
 - General Revenue (Property Taxes)
 - Gas Tax Revenue
 - Appropriated Surplus
 - Reserve Funds
 - Development Cost Charges
 - Government Grants
 - Other Contributions/Cost Sharing Arrangements
 - Debt

Property taxes are one source of funding for Capital

- *2024 Operating Capital Budget \$50.3M*
- *Property Taxes (target \$6.5 million – recommended 15% of Property Taxes)*
 - *2024 Proposed Tax Contribution* - \$4,438,133 (11.69%)
 - *2025 Proposed Tax Contribution* - \$5,085,695 (12.68%)
 - *2026 Proposed Tax Contribution* - \$5,866,434 (14.1%)
 - *2027 Proposed Tax Contribution* - \$6,345,197 (14.76%)
 - *2028 Proposed Tax Contribution* - \$6,481,677 (15.0%)

Capital Expenditure – Summary

	2023	2024	2025	2026	2027	2028
General Government	62,110	80,000	10,000	10,000	10,000	10,000
Municipal Property Improvements	6,444,585	5,409,260	525,000	425,000	425,000	425,000
Information Technology	605,780	345,000	416,000	205,000	240,000	500,000
Community Development	5,213,635	23,076,850	-	-	-	-
Protective Services: Police & Other	21,630,150	6,500,000	-	-	-	-
Protective Services: Fire	302,500	1,321,390	120,000	1,120,000	645,000	120,000
Forestry	-	-	55,000	-	-	-
Transportation	13,574,313	11,359,312	4,130,281	4,108,421	4,602,396	4,548,177
Parks & Recreation	2,299,380	2,203,150	2,045,000	1,155,000	1,111,000	898,500
Total	50,132,453	50,294,962	7,301,281	7,023,421	7,033,396	6,501,677

2024-2028 Capital Funding Summary

	2023	2024	2025	2026	2027	2028
General Revenue	3,370,840	4,438,133	5,085,695	5,866,434	6,345,197	6,481,677
Gas Tax Revenues	1,163,000	853,000	-	-	-	-
Appropriated Surplus	4,984,646	4,971,380	-	-	-	-
Reserve Funds	11,172,388	10,521,872	1,193,408	1,136,987	668,199	-
Regional Recreation	-	533,333	339,500	360,500	432,000	323,500
Development Cost Charges	400,000	-	-	-	-	-
Grants	8,235,418	23,593,344	20,000	20,000	20,000	20,000
Other Contributions/Cost Sharing	676,011	383,900	1,002,178	-	-	-
Debenture Debt	20,130,150	5,000,000	-	-	-	-
Total Sources of Financing	50,132,453	50,294,962	7,640,781	7,383,921	7,465,396	6,825,177

2024 Tax Supported Capital

Department	\$ Amount
Office Equipment, Furniture and Vehicles	\$ 80,000
Municipal Owned Improvements	\$ 500,000
Information Technology	\$ 345,000
Fire Halls	\$ 120,000
Transportation - Public Works and Engineering	\$ 10,000
Transportation - Roads	\$ 2,220,376
Drainage Capital	\$ 556,090
Parks and Recreation	\$ 606,667
Total	\$ 4,438,133

2024-2028 Municipal Property Improvements

Projects Include

- *Building Maintenance*
- *Crofton Fire Hall*
- *Fire Hall Exhaust Extraction System*

Sources of Financing

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
General Revenue	300,000	500,000	425,000	425,000	425,000	425,000
Appropriated Surplus	630,210	604,890	-	-	-	-
Gas Tax Funds	510,000	320,000	-	-	-	-
Reserve Funds	5,004,375	3,984,370	100,000	-	-	-
Total Sources of Financing	6,444,585	5,409,260	525,000	425,000	425,000	425,000

2024-2028 Information Technology

Projects include:

- *GIS Upgrade*
- *Enterprise Software*
- *Server Upgrade*
- *Network Equipment*

Sources of Financing

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
General Revenue	270,000	345,000	416,000	205,000	240,000	500,000
Appropriated Surplus	335,780	-	-	-	-	-
Total Sources of Financing	605,780	345,000	416,000	205,000	240,000	500,000

2024-2028 Community Development

Projects Include

- *Crofton Daycare Building*
- *Maple Bay Wharf*
- Parkside Daycare Building*
- Cowichan Sportsplex Fieldhouse*

Sources of Financing

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
Grants and Other	3,974,249	21,867,244	-	-	-	-
Appropriated Surplus	205,090	205,090	-	-	-	-
Reserves	1,034,296	1,004,516	-	-	-	-
Total Sources of Financing	5,213,635	23,076,850	-	-	-	-

2024-2028 Police

New RCMP Building

Sources of Financing

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
Borrowing	21,630,150	5,000,000	-	-	-	-
Grant	-	1,500,000	-	-	-	-
Total Sources of Financing	21,630,150	6,500,000	-	-	-	-

2024-2028 Fire Protection

Projects Include

- *Fire Engine*
- *Fire Fighting Equipment*

Sources of Financing

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
General Revenue	120,000	120,000	120,000	120,000	120,000	120,000
Fire Truck Replacement Res.	100,000	1,000,000	-	1,000,000	525,000	-
Appropriated Surplus	82,500	201,390	-	-	-	-
Total Sources of Financing	302,500	1,321,390	120,000	1,120,000	645,000	120,000

2024-2028 Transportation

Projects include:

- *Bridge Rehabilitation*
- *Garbage Truck Replacement*
- *Genoa Bay Road Rebuild*
- *Culvert Replacements*

Sources of Funding	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
General Revenue	1,919,840	2,786,466	3,109,695	3,951,434	4,439,197	4,528,177
Gas Tax Revenue	1,163,000	-	-	-	-	-
Appropriated Surplus	2,923,825	3,632,860	-	-	-	-
Reserve	4,431,607	4,829,986	979,000	136,987	143,199	-
DCC – Roads	400,000	-	-	-	-	-
Other Contributions	366,041	90,000	21,586	-	-	-
Grants	2,350,000	20,000	20,000	20,000	20,000	20,000
Total Sources of Financing	13,571,313	11,359,312	4,130,281	4,108,421	4,602,396	4,548,177

2024-2028 Parks & Recreation

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
Parks and Trails Capital	1,463,210	1,330,150	1,585,500	794,500	481,000	500,000
Crofton Pool	-	-	-	-	95,000	-
Fuller Lake Arena	436,470	410,000	197,500	187,500	150,000	150,000
Cowichan Aquatic Centre	269,600	390,000	142,000	173,000	282,000	173,500
Cemetery	130,000	73,000	120,000	-	103,000	75,000
Total	2,299,380	2,203,150	2,045,000	1,155,000	1,111,000	898,500

Sources of Financing

General Revenue	751,000	606,667	665,500	794,500	679,000	575,000
Appropriated Surplus	807,241	327,150	-	-	-	-
Grants	685,069	500,000	-	-	-	-
Reserves, Regional Recreation and Other	56,070	769,333	1,379,500	360,500	432,000	323,500
Total Sources of Financing	2,299,380	2,203,150	2,045,000	1,155,000	1,111,000	898,500

2024-2028 Parks and Trails

- Projects include:

- *Art Mann Park Playground*
- *Art Mann Park Dock Replacement*
- *Cemetery Master Plan*
- *Skinner Rd Dog Park*

Sources of Financing

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
General Revenue	296,000	546,000	290,000	389,500	326,000	350,000
Appropriated Surplus	442,241	327,150	-	-	-	-
Grants	685,069	500,000	-	-	-	-
Reserve and Other	40,000	30,000	1,040,000	-	-	-
Total Sources of Financing	1,421,980	1,403,150	1,330,000	389,500	326,000	350,000

2024-2028 Fuller Lake Arena

- Projects include:
 - *Fitness Equipment Replacement*
 - *Partial Re-roof*

Sources of Financing

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
General Revenue	230,000	60,666				
Appropriated Surplus	206,470	-	-	-	-	-
Regional Recreation		273,333	197,500	187,500	150,000	150,000
Reserves	-	76,000				
Total Sources of Financing	436,470	410,000	197,500	187,500	150,000	150,000

2024-2028 Cowichan Aquatic Centre

- Projects include:
 - *Front Entrance Accessibility Upgrade*
 - *Domestic Hot Water Shower Upgrade*
 - *Reception Counter Reconfiguration*

Sources of Financing

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
General Revenue	131,070					
Appropriated Surplus	138,530	-	-	-	-	-
Reserve	-	130,000	-	-	-	-
Regional Recreation		260,000	142,000	173,000	282,000	173,500
Total Sources of Financing	269,600	390,000	142,000	173,000	282,000	173,500

Supplemental Requests

Actions / Projects	Budget	Rationale
Chemainus Salt Shed Replacement	\$100,000	Major crack in building retaining wall was investigated by an engineer and replacement of structure is recommended.
Maple Bay Rowing Club Roof	\$400,000	The existing torch on roof is approximately 20 years old. As per the lease agreement the Municipality is responsible for the replacement. A consultant has reviewed the roof condition and estimated the replacement cost.
Asset Management Reserve (Buildings)	\$400,000	Buildings are estimated at approximately \$224M and North Cowichan currently has no reserve for capital repairs/replacement of these aging assets.

Supplemental Requests

Actions / Projects	Budget	Rationale
Fire Hall Exhaust Extraction System	\$320,000	The system is required at the Crofton, South End and Chemainus fire halls. The equipment removes toxic exhaust from the fire trucks while there are running inside the building.
Chemainus Wharf, Piling, Float and Ramp Assessment	\$75,000	The previous condition assessment was completed in 2013. The facility was constructed in 2010. The assessment will determine wharf infrastructure that requires replacement, scheduling and cost estimates.
Maple Bay Wharf Replacement	\$916,000	The design and construction will include environmental assessment and archeological study. Upland improvement to the parking lot are a subsequent phase. Existing funding is \$434K. Total cost \$1,350,000.

Funding Options for Supplemental

- Taxes – 6.15% if all supplementals funded through taxation
- 2.5% if reserves are utilized for specific projects as proposed (*Fire Hall Exhaust Extraction system, Chemainus Wharf assessment and Maple Bay Wharf*)
- Reserves – Infrastructure Replacement reserve balance Dec 31, 2023 estimated at \$1.368M
 - *Funds cannot be used for water, sewer, Local Area Services (LAS)*

Recommendation

THAT the Committee of the Whole direct staff to include the following supplemental items in the 2024 Capital Expenditure Plan:

[insert name of supplemental item(s) here] funded through *[insert name of funding source(s) here]*.