

FCS22081
2023 Tax Supported
Capital Budget



2023 Tax Supported Capital Budget Agenda

1. Preliminary 2023 Tax Supported Capital Summary
2. 2023-2026 Tax Capital Forecast



2023 Tax Supported Operating Budget
2023-2026 Capital Financing Plan: Key Objectives

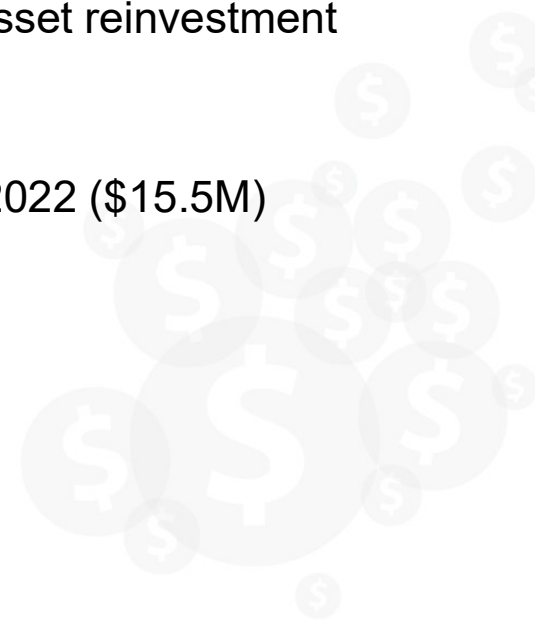
- Transition towards the investment required to meet the expected outcomes of the Transportation Asset Management Plan
- Adjusting capital block funding allocations to maintain reinvestment rates
- Alignment to Council Approved financial policies (i.e. debt limits)
- Investment in the Climate Change Reserve
- Funding allocations for council priorities



2023 Tax Supported Operating Budget

2023-2026 Capital Financing Plan: Key Elements

- Annual increases to the Capital Levy (0.50% in 2023 and 1.12% in subsequent years) for Asset Management Plan
- Increases to the Capital Levy (0.17% in 2023) for new debt to support asset reinvestment
- Levy for allocation to Climate Change Reserve (0.25% in 2023)
- Discretionary block allocations were increased 33% in 2023 relative to 2022 (\$15.5M)
- \$54M DC liability addressed over 2023 to 2030 (\$6.5M per year)



2023 Tax Supported Operating Budget
2023 Council Funding Opportunities

- Ward Minor Rehabilitation capital projects (Wards 1-15)
- Cell Tower and Non-Property Tax Revenue Accounts (Wards 2, 3, 10, 12, 13, 15)
- Area Rating Special Capital Re-Investment Levy (Wards 1-8, 14)
 - Reserves
 - Discretionary Fund
- \$3.5M allocation for Council Identified Priority projects



2023 Tax Supported Operating Budget Additional Upcoming Impacts

- Bill 23, Proposed *More Homes Built Faster Act, 2022*
- Upgrade of 9-1-1 System to Next Generation
- Non-core Asset Management Plans
- Service level targets for all assets



2023 Tax Supported Operating Budget
 Ontario Regulation 588/17 Mandates

Item	Deadline	For Consideration
Strategic Asset Management Policy	July 1, 2019	2020 Budget
Asset Management Plans for core assets (Transportation and Waterworks)	July 1, 2022	2023 Budget
Asset Management Plans for all municipal assets that identifies current levels of service	July 1, 2024	2025 Budget
Improved Asset Management Plans for all assets that identifies proposed levels of service	July 1, 2025	2026 Budget

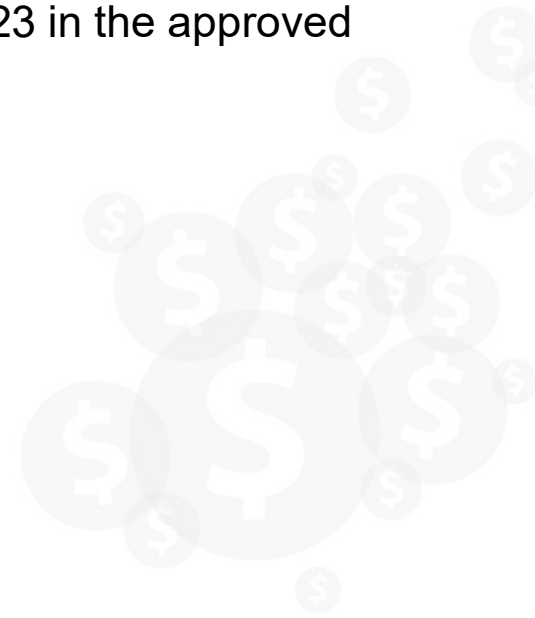


Preliminary 2023 Tax Supported Capital Budget Summary

November 25, 2022

2023 Tax Supported Operating Budget 2023 Gross Capital

- The 2023 Tax Supported Capital Budget is \$285.7M compared to \$386.0M in 2022
- However, net capital investment in 2023 is \$157.4M compared to \$149.6M in 2022
- Decrease of \$18.2M in 2023 compared to the forecasted amount for 2023 in the approved 2022 Capital Financing Plan
 - Mount Hope Library Expansion deferred to 2024 - \$5.5M
 - Deferrals in growth-related projects - \$46.6M
 - Additional funding for DC Exemption - \$9.5M
 - Contribution to Council Priorities/Climate Change - \$6.8M
 - Block increases for all services - \$15.5M



2023 Tax Supported Operating Budget Capital Levy Increase

	(\$000's)			
	2022 Restated	2023 PROPOSED	CHANGE	
			\$	%
Debt Charges	40,506	37,245	(3,261)	(8.0)
Transfer from Operating	93,257	105,714	12,457	13.4
Total Tax Supported Capital Levy	133,763	142,959	9,196	6.9

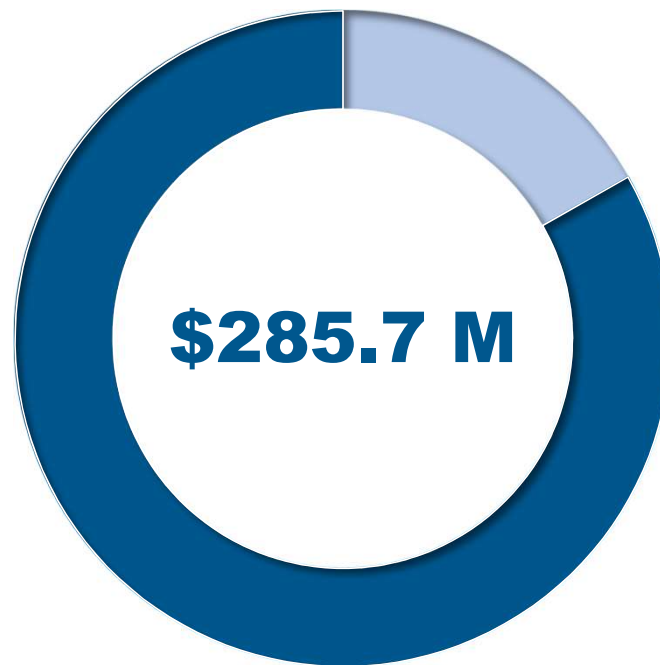
Municipal Tax Impact on Average Residential Property Tax 0.92% (\$41)

2023 Capital Financing Tax Impact

		\$	%
	Municipal Taxes	Discretionary Capital Blocks	\$22.44
	Climate Adaptation Strategy	\$11.22	0.25%
	ICIP - Transit	\$0.22	0.01%
	West Harbour	\$3.50	0.08%
	Paramedic	\$3.90	0.09%
	MUNICIPAL TAXES	\$41.29	0.92%

- The proposed 2023 Capital Financing Plan would result in a 0.92% residential tax impact and approximately \$41.29 for the average household assessed at \$382,000

2023 Tax Supported Operating Budget 2023 Tax Capital Gross Investment

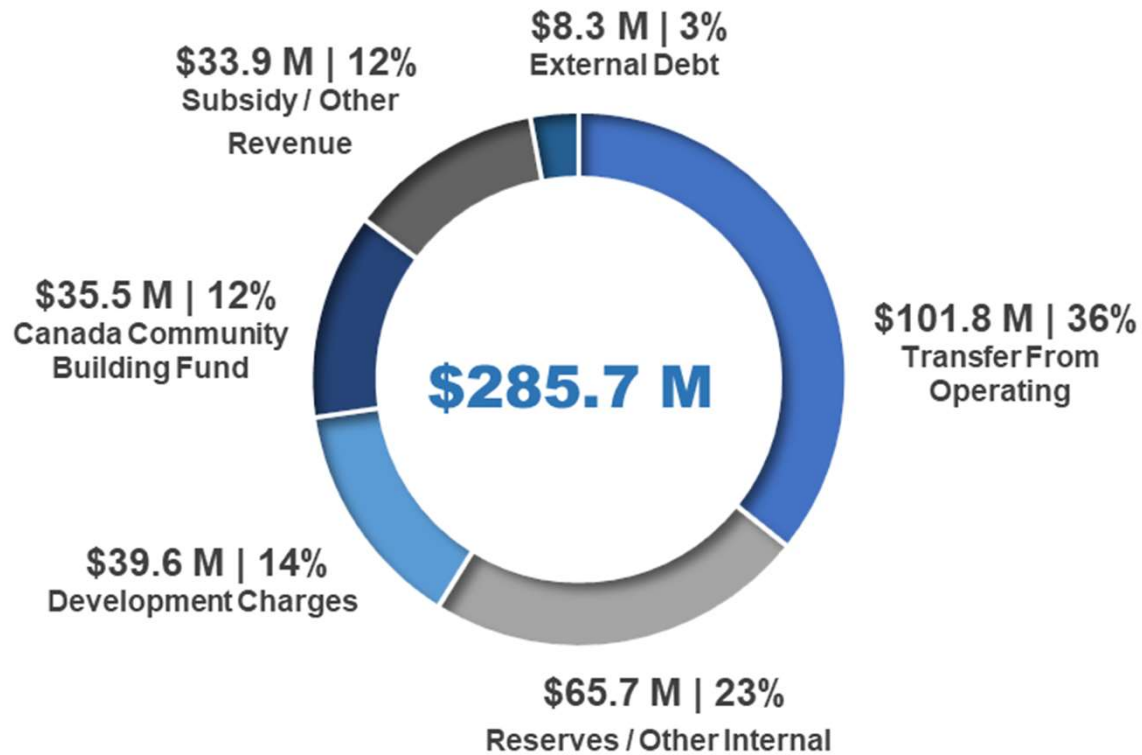


\$70.9 M **25%**
Growth Related

\$214.8 M **75%**
State of
Good Repair










2023 Tax Supported Operating Budget 2023 Gross Capital Funding



2023 Tax Supported Operating Budget 2023 Gross Capital Investment

\$285.7 M Gross

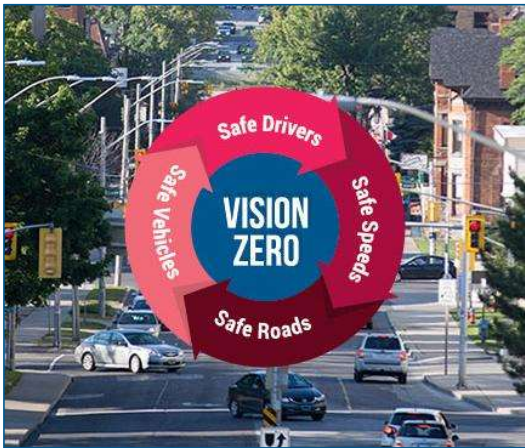
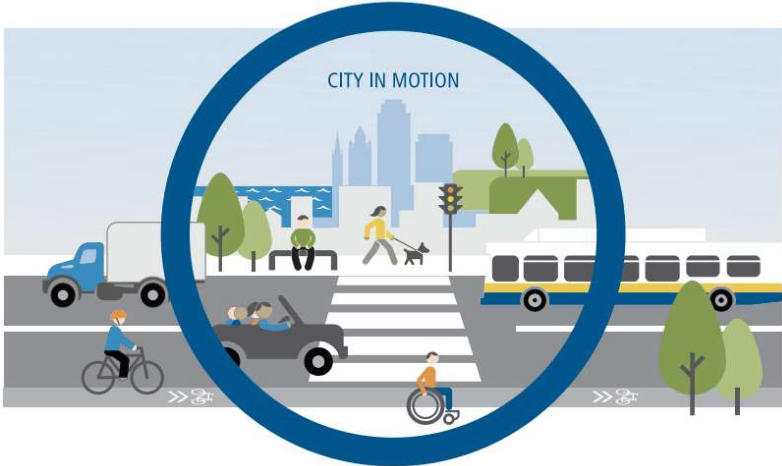
	Roads/Bridges/Sidewalk/Street Lighting/Traffic	\$ 110.8 M	38.8%
	Transit Initiatives	\$ 32.6 M	11.4%
	Energy, Fleet and Facilities	\$ 31.0 M	10.8%
	Planning, Economic Development, Tourism and Culture	\$ 18.9 M	6.6%
	Environmental Services	\$ 18.7 M	6.6%
	Fire and Paramedic Services	\$ 14.9 M	5.2%
	West Harbour Strategic Initiatives	\$ 8.2 M	2.9%
	Outside Boards & Agencies	\$ 6.8 M	2.4%
	Information Technology	\$ 4.6 M	1.6%
	Affordable Housing Initiatives	\$ 4.3 M	1.5%
	Waste Management	\$ 3.2 M	1.1%
	Other	\$ 31.8 M	11.1%
		\$ 285.7 M	100.0%

2023 Tax Supported Operating Budget 2023 Roads / Bridges / Traffic

\$110.8 M Gross Total Dollar Investment

\$69.7 M
State of Good Repair

\$41.1 M
Gross Growth Projects



2023 Tax Supported Operating Budget 2023 Transit Initiatives

\$32.6 M Gross Total Dollar Investment



2023 Tax Supported Operating Budget
2023-2032 Transit Initiatives

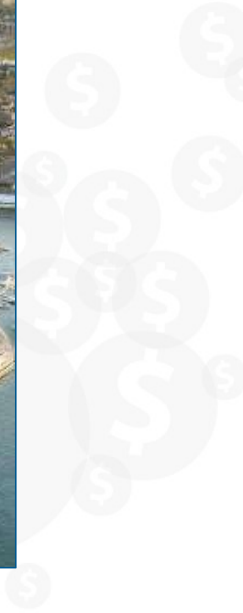
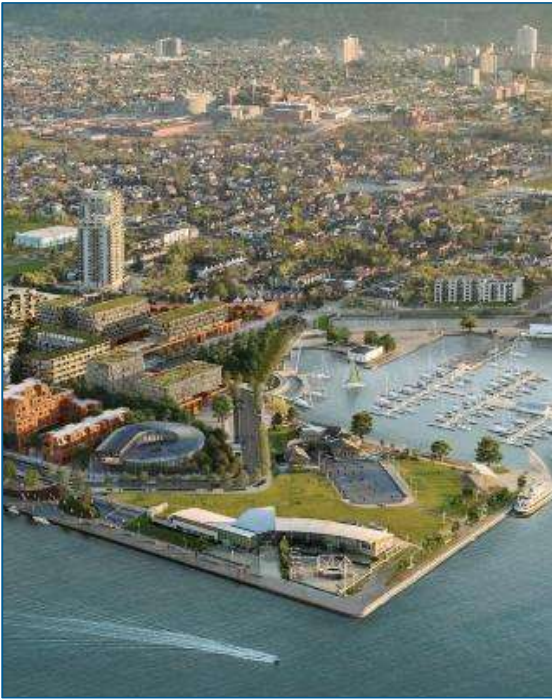
\$268 M Gross Total Dollar Investment

(\$000's)	GROSS	NET
Bus Replacement Program	\$ 191,399	\$ -
Bus Expansion	\$ 41,143	\$ -
A Line Priority Bus Corridor (ICIP)	\$ 4,500	\$ 1,200
Bus Shelters	\$ 2,750	\$ 1,250
MTC Parking Expansion	\$ 1,225	\$ 805
Terminal and End of Line Rehabilitation	\$ 750	\$ 750
CNG Dispenser Upgrade	\$ 500	\$ -
Operator Washrooms	\$ 300	\$ 300
Other	\$ 25,592	\$ 25,272
Total	\$ 268,159	\$ 29,577





2023 Tax Supported Operating Budget
2023 West Harbour

\$8.2 M Gross Total Dollar Investment



2023 Tax Supported Operating Budget
2023 Growth Projects

\$39.6 M Development Charges

	Roads/Bridges/Sidewalk/Street Lighting/Traffic	\$ 31.7 M
	Energy, Fleet and Facilities	\$ 0.6 M
	Environmental Services	\$ 2.5 M
	Planning, Economic Development, Tourism and Culture	\$ 3.7 M
	Transit Initiatives	\$ 1.0 M
	Waste Management	\$ 0.1 M
		\$ 39.6 M

2023 Tax Supported Operating Budget 2023 Financing of Growth



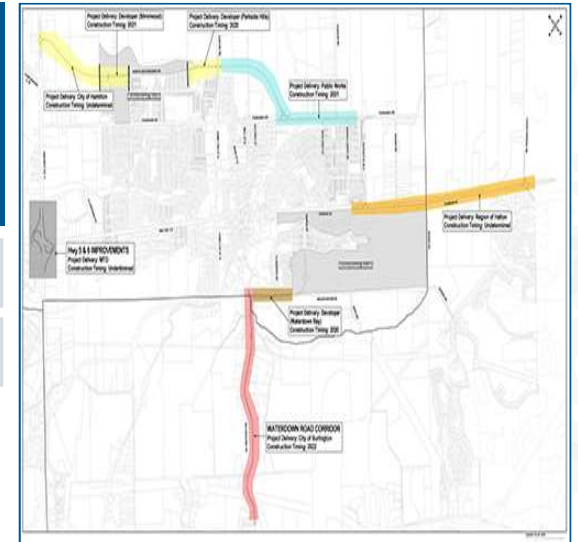
\$12 M Waterdown – Burlington Road Upgrades

DC Debt	\$ 12.0 M
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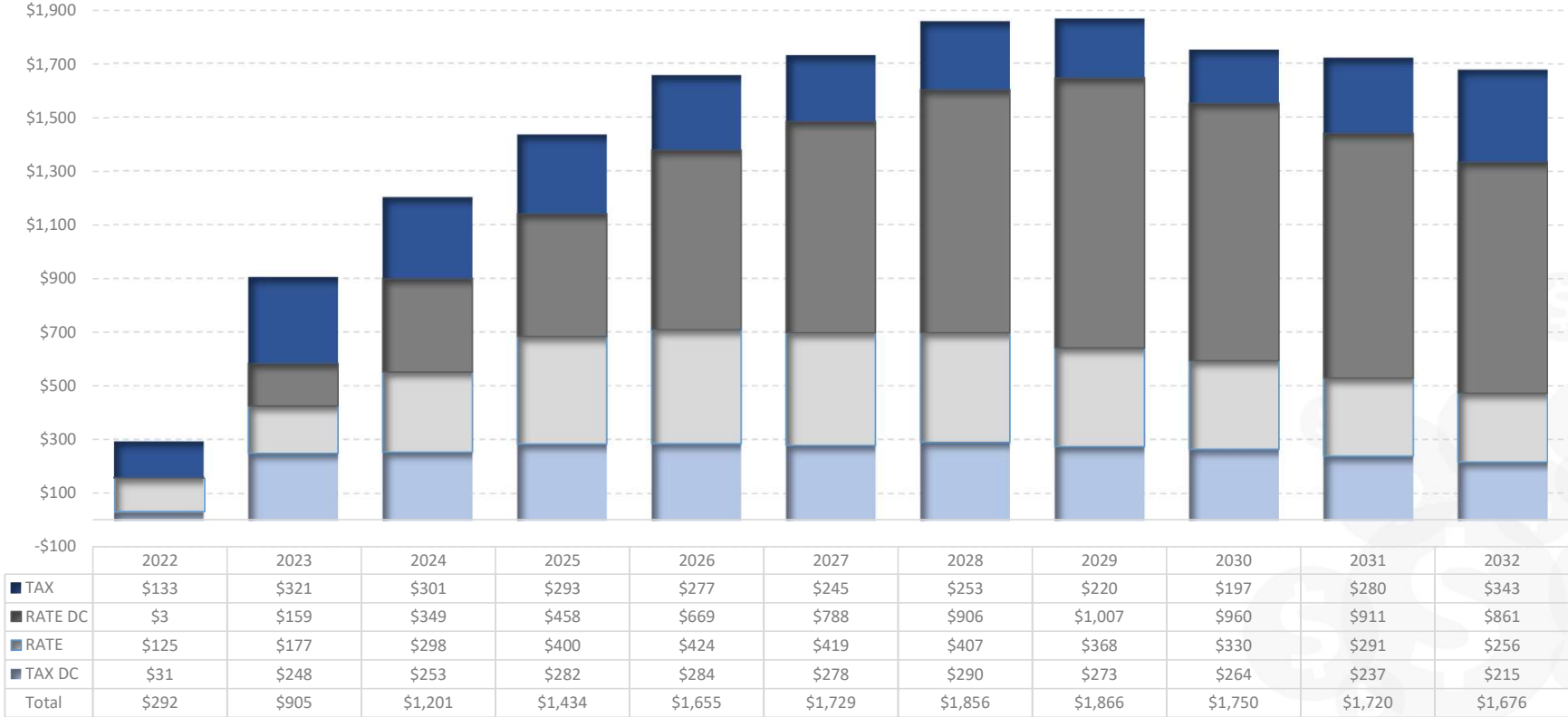
\$8.0 M East-West Road Corridor (Waterdown By-Pass)

DC Debt	\$ 7.6 M
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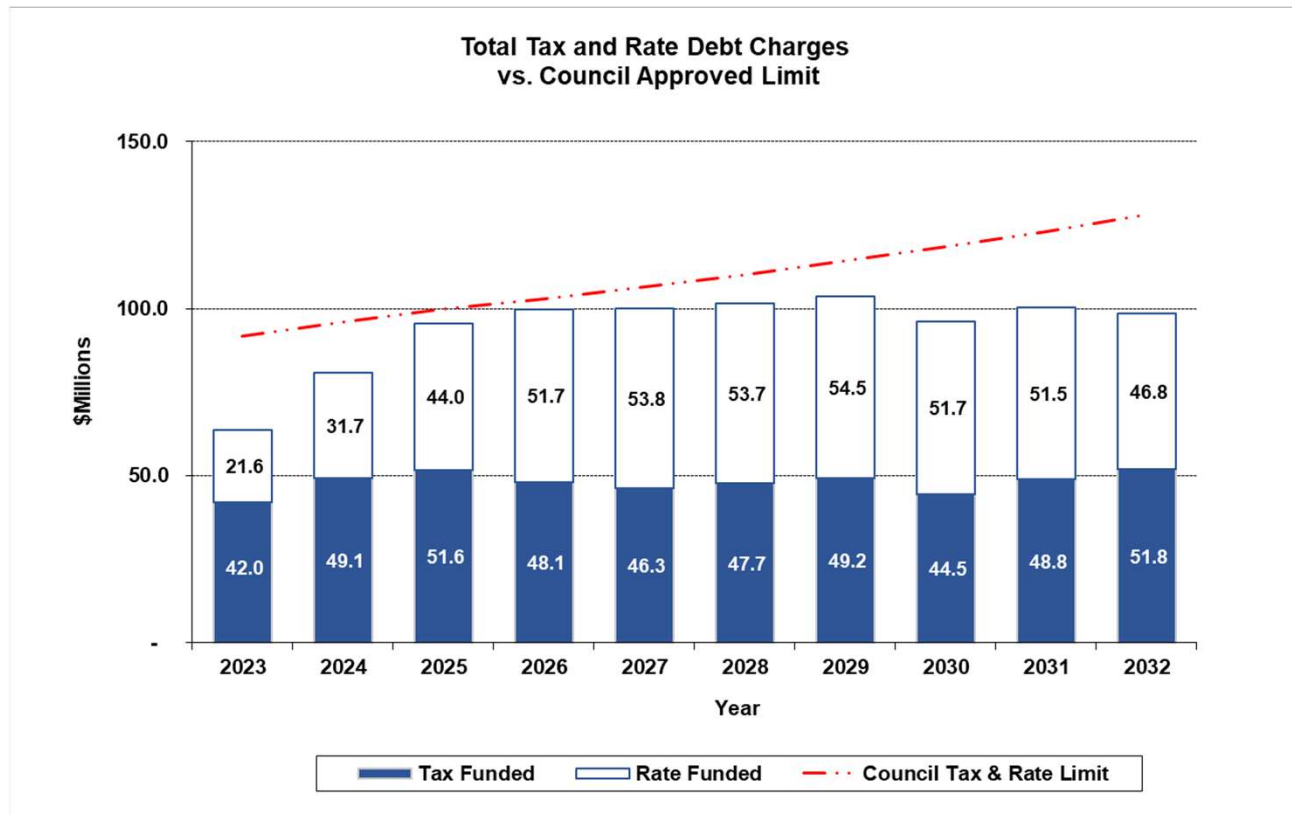
Operating Funds	\$ 0.4 M
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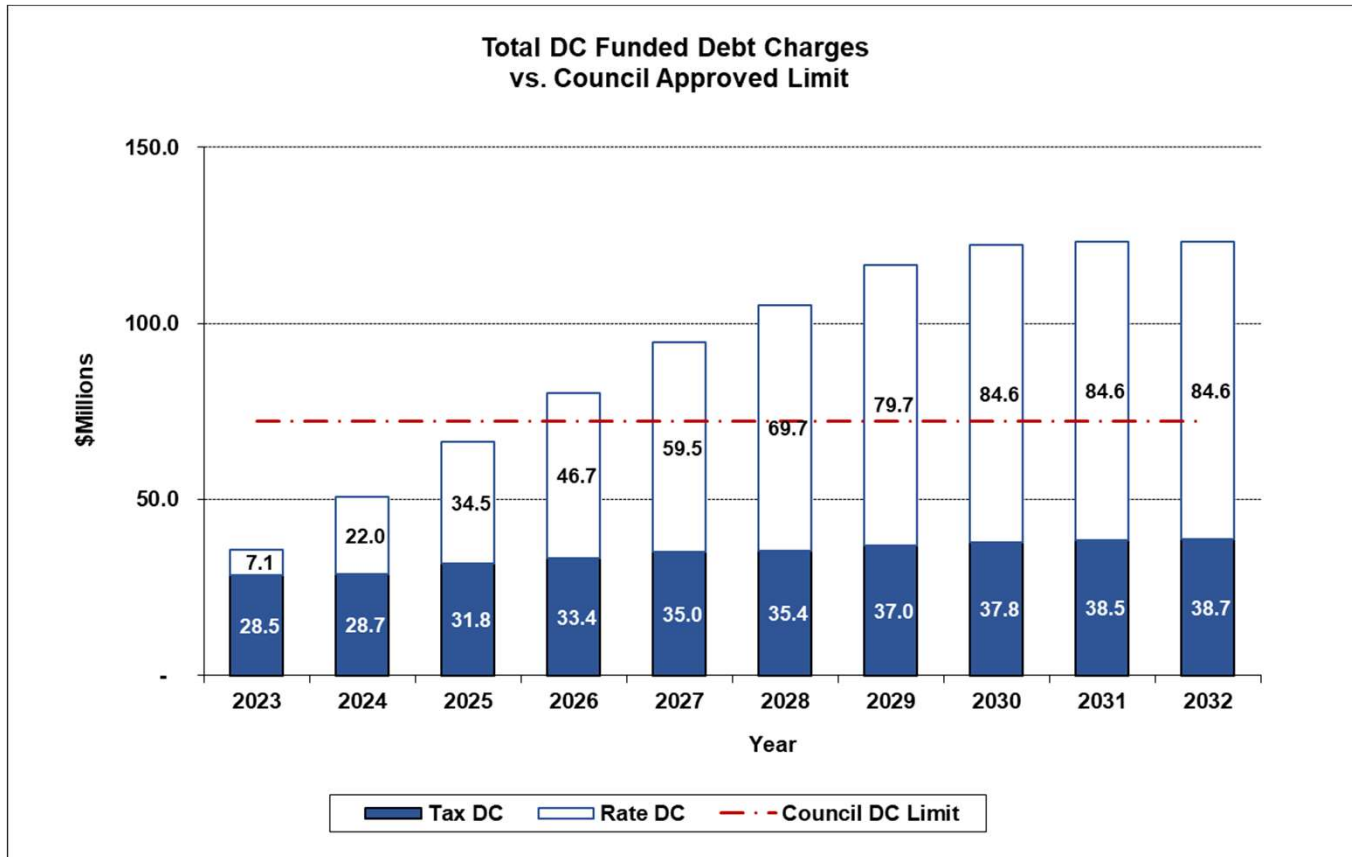
2023 Tax Supported Operating Budget Total Forecasted Debt (\$Millions)



2023 Tax Supported Operating Budget Forecasted Tax and Rate Supported Debt Charges



2023 Tax Supported Operating Budget Forecasted DC Supported Debt Charges



2023 Tax Supported Operating Budget Capital Reserves – 2023 Funded Projects



\$14.6 M

Fleet Vehicles &
Equipment



\$13.3 M

Emergency Vehicles &
Fire Apparatus



\$4.9 M

HSR Bus Replacement
Program

Preliminary 2023-2026 Capital Forecast

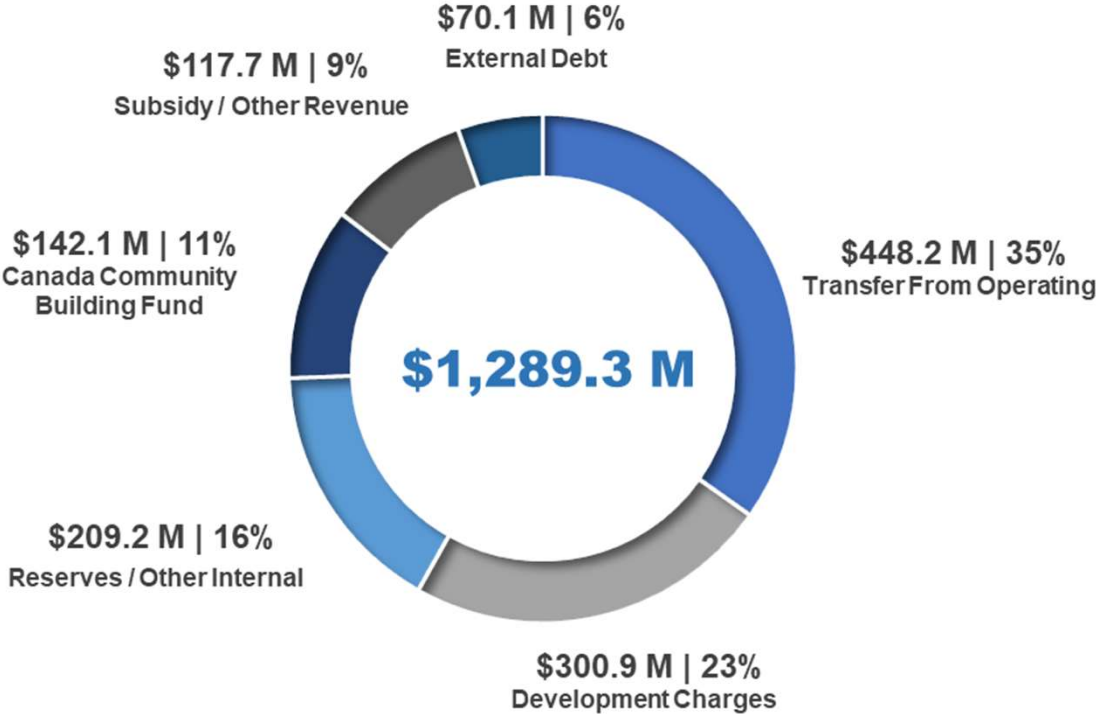


2023-2026 Capital Forecast Forecasted Levy Increases

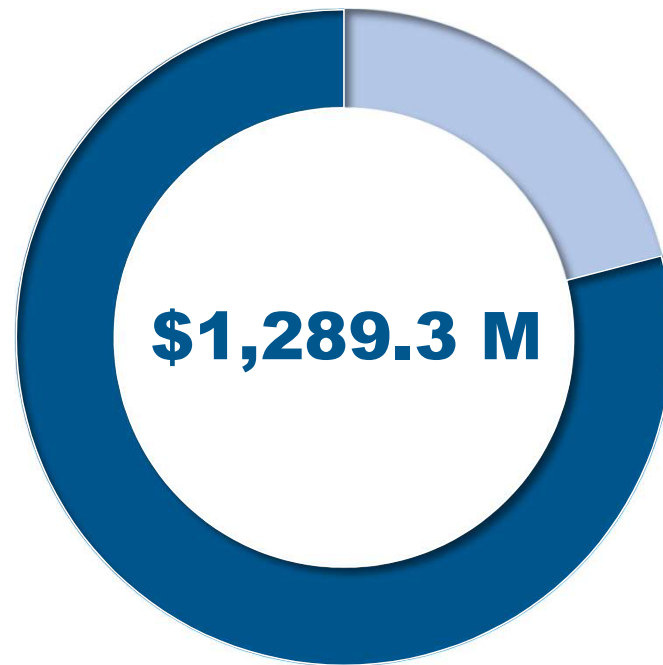
	2023	2024	2025	2026
Capital Levy Increase dedicated to Asset Management	0.50%	1.12%	1.12%	1.12%
Additional Capital Levy Impact:				
Capital Levy Increase for Climate Change Action Strategy	0.25%	0.00%	0.00%	0.00%
Capital Levy Increase for ICIP - Transit Stream (City Share - debt)	0.01%	0.01%	0.00%	0.00%
Capital Levy Increase for West Harbour Strategic Initiatives (debt)	0.08%	0.03%	0.25%	0.04%
Capital Levy Increase for Paramedic Services and Central Stores Facility (debt)	0.09%	0.00%	0.00%	0.00%
Capital Levy Increase for Library Expansion (debt)	0.00%	0.03%	0.00%	0.06%
Total Levy Impact	0.92%	1.19%	1.37%	1.22%

2023-2026 Capital Forecast

2023-2026 Gross Capital Funding



2023-2026 Capital Forecast
2023-2026 Gross Capital



\$471.0 M
Growth Related

37%

\$818.3 M
State of
Good Repair

63%



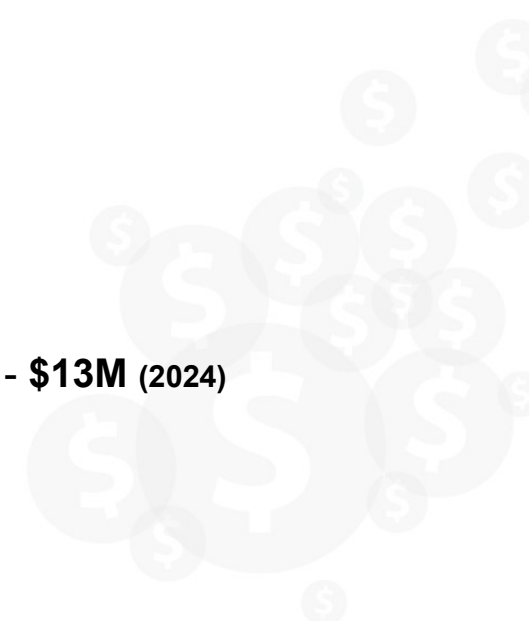
2023-2026 Capital Forecast 2024-2026 Major Investments

Transit

- HSR Bus Expansion Program - 10 Year Plan - **\$11M** (2024-2025)
- HSR Expansion Buses - Modal Split - **\$16M** (2024-2025)
- HSR Bus Replacement Program - **\$45M** (2024-2026)

Growth Management

- Garner Road - Fiddlers Green to e/o Glancaster (AEGD) - **\$20M** (2024, 2026)
- Barton - Fruitland to Fifty (Fruitland - Winona) - **\$15M** (2024, 2026)
- Arterial Road 1N Oversizing (AEGD) - Glancaster Road to Dickenson Road - **\$13M** (2024)
- Glancaster - Garner to Dickenson (AEGD) - **\$12M** (2025-2026)



2023-2026 Capital Forecast
2024-2026 Major Investments

Recreation

- Waterdown Pool and Recreation Centre Feasibility - **\$24M** (2024-2025)
- Riverdale Community Hub - **\$19M** (2025-2026)
- Winona Recreation Centre Feasibility - **\$27M** (2024-2025)

Library

- Mount Hope Library Expansion - **\$6M** (2024)
- Lower City Net/Expanded Library - **\$9M** (2026)

Parks

- Chedoke Falls Viewing Implementation - **\$8M** (2024-2026)
- Confederation Park Redevelopment - **\$5M** (2024-2026)
- Heritage Green Community Sports Park Implementation - **\$5M** (2024, 2026)



2023 Tax Supported Operating Budget
Next Steps

ITEM	DATE
GIC – 2023 Tax Capital Budget	December 5 th (if required)
Council – Tax Capital Budget approval	December 7 th



THANK YOU