



2022 -2025 CAPITAL BUDGET AND 2026 TO 2031 CAPITAL FORECAST

Issue

The proposed 2022-2025 Capital Budget and 2026 to 2031 Capital Financial Forecast planning tools are presented to Council for approval.

Motion Proposed by Administration

1. That the 2022 -2025 Capital Budget in the amounts of \$20.441M for 2022, \$17.905M for 2023, \$40.061M for 2024 and \$21.494M in 2025, the capital summary sheets and funding sources totaling \$99.901M be approved as recommended by the Joint Council and Finance and Audit Committee.
2. That the 2026 to 2031 Capital Forecast be approved as a planning tool, as recommended by the Joint Council and Finance and Audit Committee.

Report, Analysis and Financial Implications

The 2022-2025 Capital Projects Budget Summary provides a summary of all major projects under consideration and their funding sources.

Following Council’s 2022-2025 Budget Guidelines, Administration identified priority capital projects in the Town’s long-term capital plans that could and should be completed in 2022-2025, along with reliable cost estimates, project details, and the funding sources. These projects enhance and maintain the Town’s infrastructure as well as ensure that the appropriate levels of service will be maintained. The 2022-2025 major Capital grouping include:

| Capital Grouping | Budget | | | | Total |
|---|---------------|---------------|---------------|---------------|---------------|
| | 2022 | 2023 | 2024 | 2025 | |
| 01 - OSL Projects | 12.350 | 8.300 | 33.100 | 11.300 | 65.050 |
| 02 - Utility Projects | 2.080 | 0.450 | 0.375 | 0.900 | 3.805 |
| 03 - Ops and Parks Community Amenities | 5.015 | 5.445 | 3.185 | 3.694 | 17.339 |
| 04 - Rec and Safety Community Amenities | 0.505 | 0.440 | 0.560 | 0.300 | 1.805 |
| 05 - Environmental Projects | 0.241 | 0.370 | 0.241 | 0.700 | 1.552 |
| 06 - Downtown Development | 0.250 | 1.650 | 2.100 | 4.600 | 8.600 |
| 07 - Other | | 1.250 | 0.500 | | 1.750 |
| Total 10 Year Capital Plan | 20.441 | 17.905 | 40.061 | 21.494 | 99.901 |

Recommendations regarding funding sources are meant to maximize access to all external sources of available funding and to use internal reserves prudently. Availability and use of all sources of funding is summarized at the bottom of the

Capital Budget Summary document. Funding sources for 2022-2025 include:

- Town of Okotoks Reserves;
- Federal Gas Tax Grant;
- Municipal Sustainability Initiative Grant;
- Cost sharing with other stakeholders.

During the Joint Council and Finance and Audit committee held November 23-25, 2021 the 2022-2025 Capital Projects were submitted for consideration. In general, all projects were recommended to be brought forward for consideration during the December 13, 2021 Regular Council Meeting. In conjunction with their review, the Joint Committee made the following motions:

“That a recommendation be forwarded to Council to approve the proposed 2022-2025 Capital Budget as presented.” And “That a recommendation be forwarded to Council to approve the proposed Four (4)-Year Capital Forecast as presented.”

The 2022 Capital Budget as presented totals \$33.677M and consists of:

- the 2022 Capital of \$20.441M and
- the current estimated carry forward amount of \$13.236M from 2021.

The carry forward amounts will be brought to Council for approval once year-end is completed.

Strategic Plan Goals

| | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | Manage Community Growth |
| <input checked="" type="checkbox"/> | Provide Quality Community Infrastructure |
| <input checked="" type="checkbox"/> | Enhance Organizational Excellence |

| | |
|-------------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> | Provide Strong Governance |
| <input checked="" type="checkbox"/> | Healthy and Safe Community |
| <input checked="" type="checkbox"/> | Foster Economic Vitality |
| <input checked="" type="checkbox"/> | Promote Environmental Excellence |

Governing Policies/Bylaws/Legislation or Agreements

Town of Okotoks financial policies and the Municipal Government Act

Public Participation Strategy

The budget review sessions were held November 23-25, 2021 and were available to the public to participate. In addition, all the budget material was posted on the Town's website for public viewing.

Alternatives for Consideration

n/a

CAO Comments

The budget recommended to Council for approval invests in the Town of Okotoks and ensures readiness for the recent and future growth of the community. This budget invests in the two major capital investments in off-site levy/utility projects including the supplemental water solution and waste water treatment plant upgrades. The long term plan highlights that with these investments, the Town is very close to its debt thresholds in future years and must carefully manage capital expenditures to ensure compliance with the approved long term financial health framework. With these limitations on large capital investments, smaller investments to enhance the quality of life of residents have been included. Examples of some of these projects are a new pump track, a new outdoor skating rink, a new skateboard park and development of the bible camp lands. Downtown investment plans were modified to move out underground utility replacements, invest in downtown parking to ensure readiness for economic recovery and the 2023 Alberta Summer Games.

Attachment(s)

1. 10 year Capital Plan
2. 2022-2025 Capital Plan and Forecast 2026-2031 Funding Sheet

Prepared by:
Ralph Ettenauer
Chief Financial Officer
December 06, 2021