

## ***CAPITAL INVESTMENT, DEBT AND RESERVES***

### **Multi-Year Capital Plan (2019 – 2022)**

The Township of King's Multi-Year Capital Plan is comprised of the expenditures for the acquisition or repair and replacement of the tangible capital assets (TCA) of the municipality. TCA are defined as: non-financial assets having physical substance that:

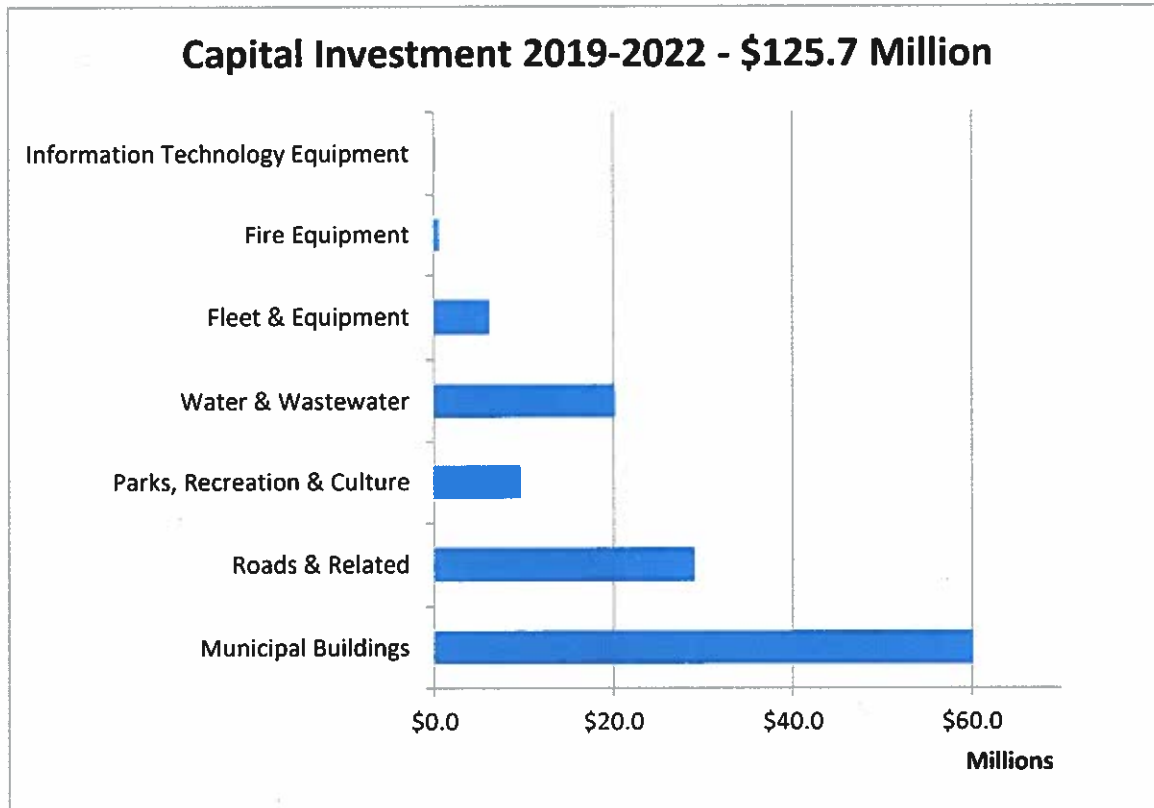
- Are held for use in the production of goods and services, for rental to others, for administrative purposes, and/or for the development, construction, maintenance and repair of other TCA
- Are to be used on a continuing basis
- Have useful lives extending beyond one accounting period
- Are not for sale in the ordinary course of operations

To ensure that the multi-year capital program is updated to current status and circumstance, staff continue to propose annual budget amendments to the multi-year capital plan on the basis of:

- Change in priority and/or need
- Availability of financial and human resources to complete the infrastructure.

### The Corporation of the Township of King

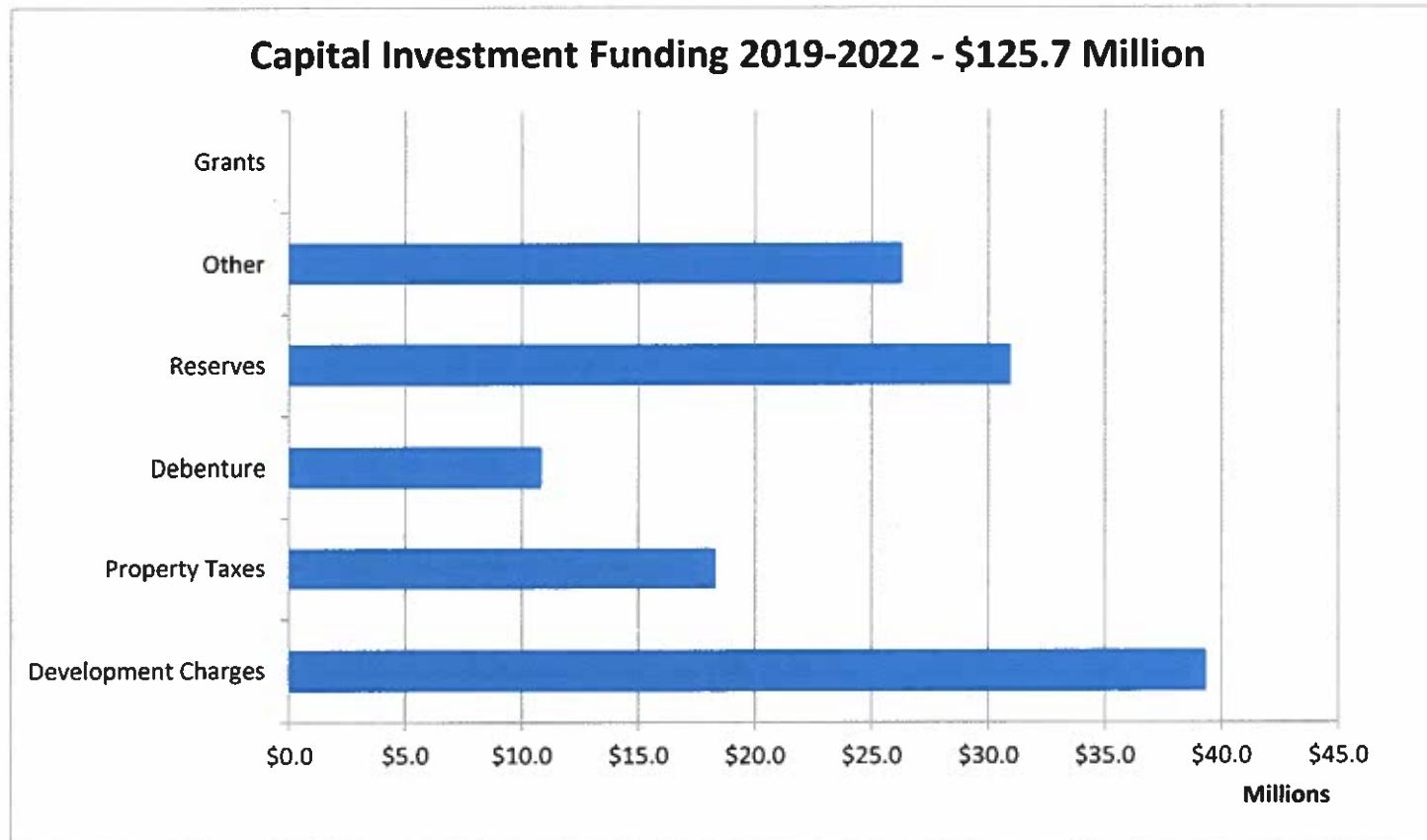
The Township's Multi-Year Capital Plan for the years 2019 to 2022 has gross expenditures in the amount of \$125.7 million which is reflected in the following chart categorizing capital investment by type of project.



As shown in the chart above, the capital investment to municipal buildings and roads projects form the vast majority of the total capital expenditures required over the next four years.

## The Corporation of the Township of King

The proposed sources of funding/financing totaling \$125.7 million for the Township’s Multi-Year Capital Plan for the years 2019 to 2022 are reflected in the following chart.



As shown in the chart above, the Township will need to rely heavily on funding from development charges \$39.3 million, the operating budget \$18.3 million, and debentures \$10.8 million, in order to fund the Multi-Year Capital Plan for the years 2019-2022.

Further details relating to the Multi-Year Capital Plan (2019 – 2022) and associated funding and financing are included in the *D2019-2022 Capital Budgets Project List* included in Tab 4 of the draft 2019 Budgets & Business Plan binder.

### **Capital Budget/Requests 2019-2022**

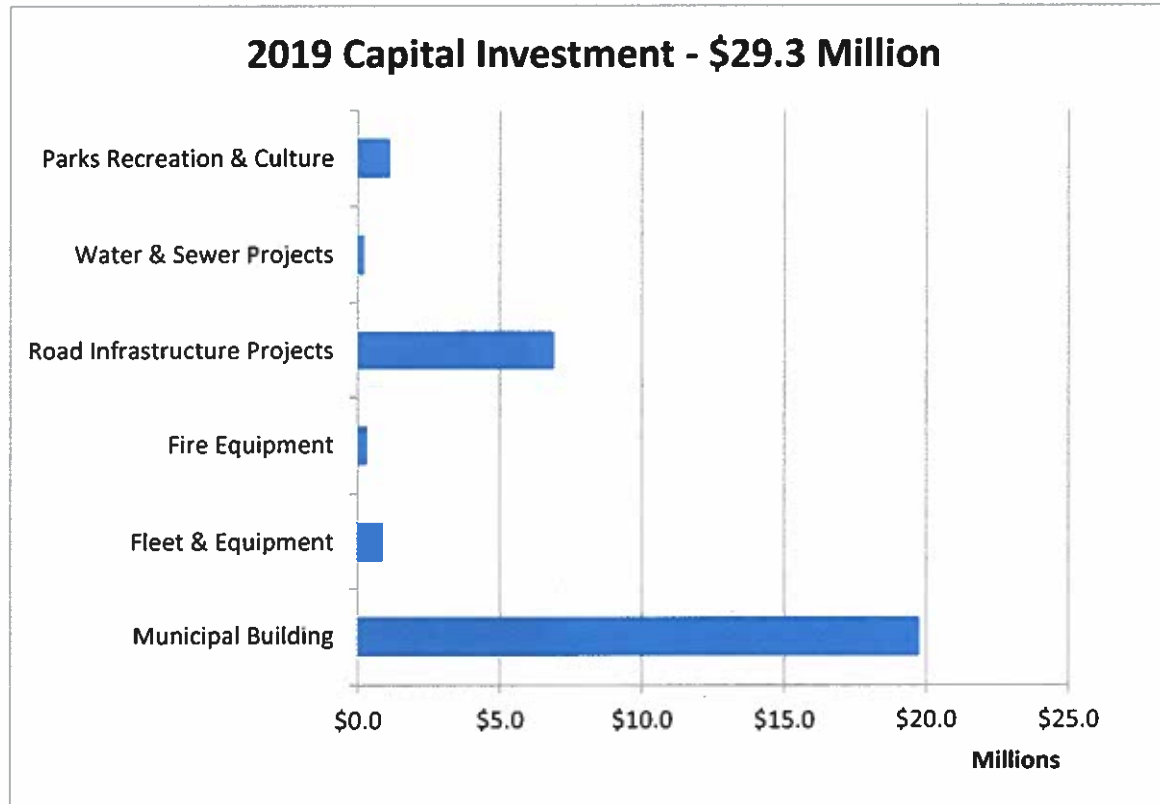
Staff have reviewed the previously approved capital program work-in-progress as well as proposed forthcoming works, realigning projects with respect to anticipated timelines, delays, opportunities, and any other newly available information. Capital projects approved by Council for the annual capital program may proceed, recognizing that the Capital Spending Authority must recognize the funding commitment for the total capital project cost, considering that many projects are multi-year and will not be completed within the approved budget for a single fiscal year. If Council commits to funding a project in the current year and it is a multi-year project, in essence Council has authorized staff to proceed with the full capital project.

The top five major capital projects (\$86.4 M) proposed over the next four years are:

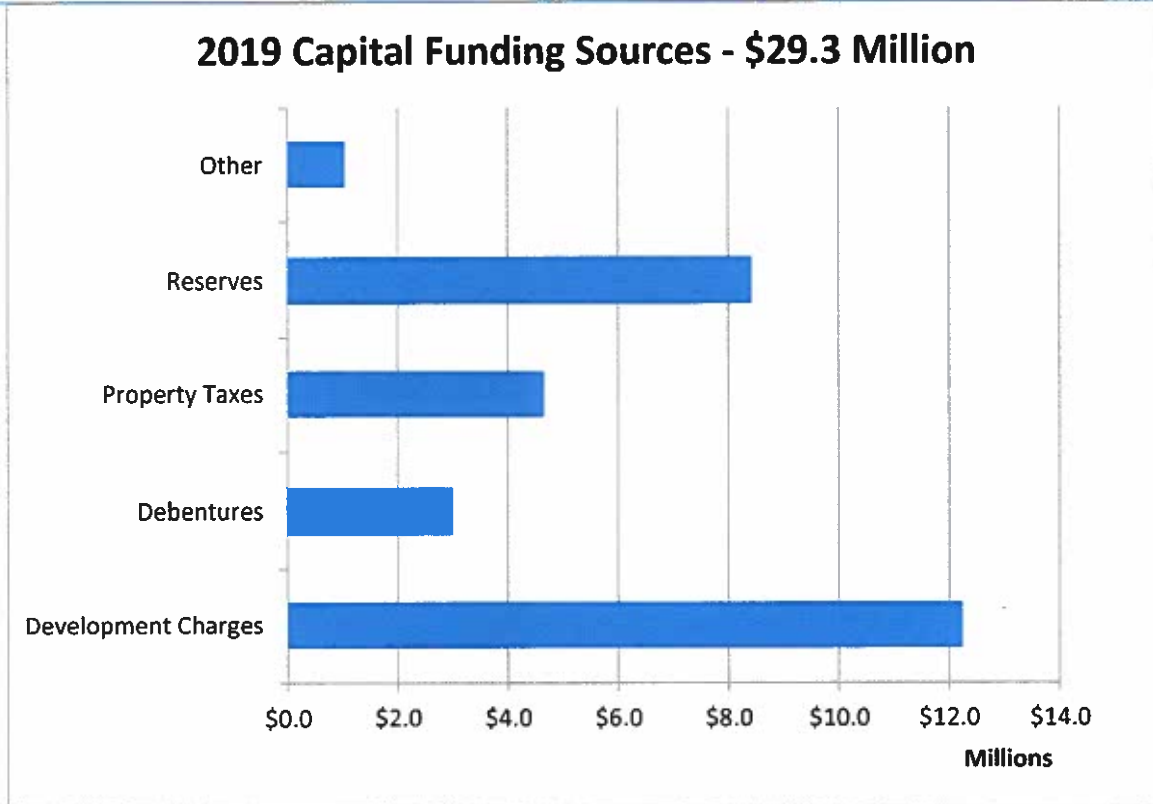
- Township Multi-Purpose Recreation Centre @ \$37.0 M
- Nobleton Sanitary Sewer – Phases 3 and 4 @ \$19.9 M
- Nobleton Loop (10<sup>th</sup> Concession & 15<sup>th</sup> Sideroad) @ \$10.7 M
- King City Public Library & Seniors Centre @ \$10.8 M
- King Road (Dufferin to 2585 King Road) @ \$8.0M.

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The Township of King's 2019 Capital Budget is comprised of gross expenditures in the amount of \$29.3 million with equivalent funding/financing sources. The planned expenditures for 2019 and its corresponding funding sources are depicted in the graphs below:



The Corporation of the Township of King



## The Corporation of the Township of King

### Debt Management

King Township's capital planning requirements rely on the use of debenture financing to support investment in municipal infrastructure. This approach has been analyzed on the basis of the Township's current debt structure, in conjunction with Ministry defined debenture capacity and annual repayment limits, and with a comprehensive understanding of its reserve and reserve funds balances.

At the end of 2018, the Township's net outstanding debt is \$14.5 million.

### Annual Debt Charges

Annual debt charges are included in the amount of the property tax rate, user rate, and area specific charge (benefitting landowner) calculations. The chart below summarizes the annual debt charges (principal and interest) for the Township's existing debt obligation; it does not include any new proposed debt.

Annual Debt Charges - Existing				
Year	Sewer	Roads	Water	Total
2019	517,831	7,257,497 *	174,630	7,949,958
2020	503,485	523,889	174,630	1,202,004
2021	487,161	523,889	174,630	1,185,680
2022	472,023	523,889	174,630	1,170,542
2023-2027	1,737,133	1,047,779	523,889	3,308,801

*\*Note: 2019 Roads includes \$6.1M principal coming due which will be refinanced.*

### Annual Debt Repayment Limit

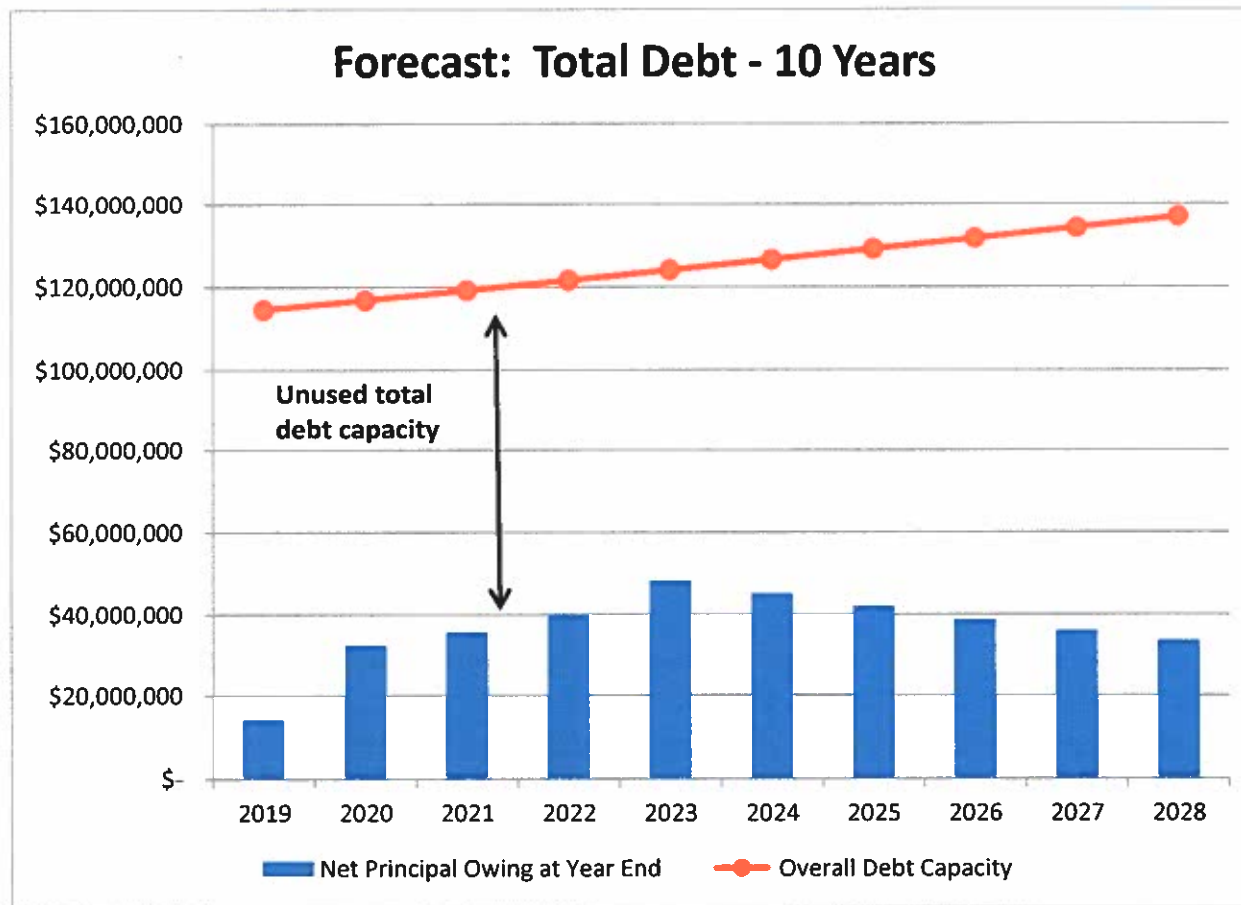
The Province of Ontario, through regulation, prescribes the Annual Debt Repayment Limit (ARL) for municipalities. The ARL is calculated based on 25% of the municipality's own source revenues and represents the maximum amount which the municipality has available to commit to payments relating to debt and financial obligation. Prior to the authorization by Council of a long term debt or financial obligation, this limit must be adjusted by the Treasurer in the prescribed manner.

## The Corporation of the Township of King

### Debt Forecast

The Chart below entitled *Forecast: Total Debt – 10 Years* projects the estimated total debt that will be owing by the municipality each year based on the Township’s 10 year capital plan.

The Township’s overall debt borrowing capacity, as indicated by the trend line in the graph below reflect the total additional amount of debt the Township is permitted to access.

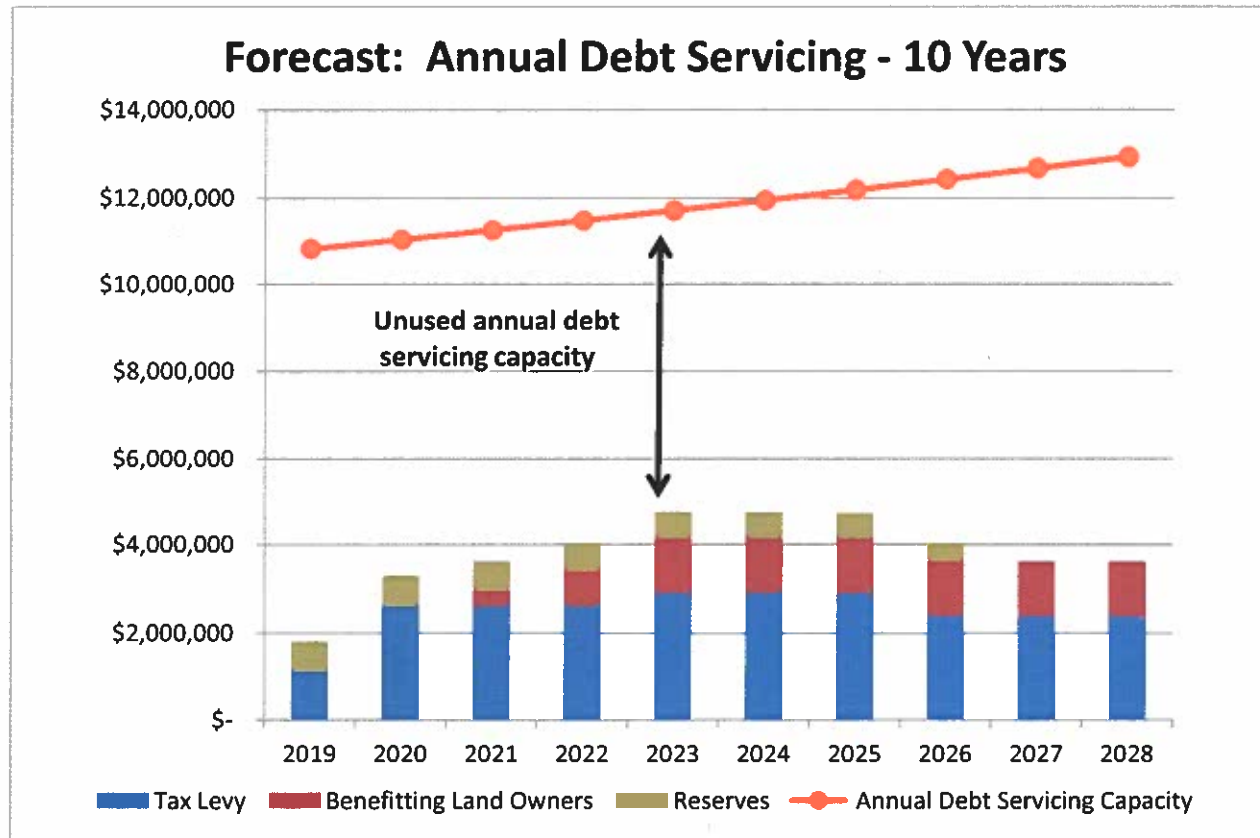




## The Corporation of the Township of King

The Chart below entitled *Forecast: Annual Debt Servicing - 10Years* projects the estimated total annual debt servicing payment that will be paid by the municipality each year based on the Township’s 10 year capital plan.

The Township’s overall debt repayment capacity, as indicated by the trend line in the graph below reflects the total additional amount of annual debt repayment that the Township is permitted to bear.





## The Corporation of the Township of King

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The upward trend for the Annual Debt Repayment Limit and Additional Borrowing Capacity is increasing due to growth in property taxation revenues. This growth translates into incremental revenue in which net revenue (Taxation less Grants and Development Charges) is the basis for each indicators calculation in relation to overall debt capacity and annual repayment limits.

## 2019-2022 Capital Budgets Project List

DEPARTMENT AND PROJECT/ITEM	2019	2020	2021	2022	Total 2019 - 2022
<b>Municipal Buildings</b>					
Dr. William Lacey Nobleton Community Centre/Arena Improvements					
Township Wide Recreation Complex					
King City Library and Seniors Centre Expansion & Renovation					
Retrofit - Holland Marsh District Christian School (\$340,000)					
Parks Depot Renovation and Expansion (former Schomberg Arena)					
Schomberg Library Upgrades					
Schomberg Fire Hall Upgrades (Roof, Bay Floor, Paving)					
Air Quality Improvements (works Yard and Parks Depot)					
Nobleton Tennis Clubhouse					
Nobleton Junior Public School - Acquisition					
Schomberg Community Hall Renovation and Accessibility Upgrade					
Nobleton Library Upgrades					
Works Yard Roof (ancillary buildings)					
Cold Creek Driveway and Parking Lot Paving, New Entrance Gate					
King City Arena Floor					
King City Arena Roof					
King City Arena Parking Lot					
Pottageville Pavilion Upgrades					
King Heritage & Cultural Centre Building Improvements (\$700,000)					
<b>Total Municipal Buildings</b>	<b>19,754,000</b>	<b>14,154,340</b>	<b>14,540,000</b>	<b>11,654,660</b>	<b>60,103,000</b>
<b>Municipal Buildings - Funding Sources</b>					
Taxation	1,168,420	614,340	2,090,000	2,175,000	6,047,760
Reserves	237,528	670,000	100,000	-	1,007,528
Reserve Fund	6,675,000	10,000	-	-	6,685,000
DC Fund	7,823,052	5,090,000	6,500,000	-	19,413,052
Contribution	-	-	-	-	-
Other	850,000	7,770,000	3,000,000	4,500,000	16,120,000
Debenture	3,000,000	-	2,850,000	4,979,660	10,829,660
<b>Total Municipal Buildings - Funding Sources</b>	<b>19,754,000</b>	<b>14,154,340</b>	<b>14,540,000</b>	<b>11,654,660</b>	<b>60,103,000</b>
<b>Libraries</b>					
Collection Development (DC #1)	124,550	104,000	104,000	104,000	436,550
<b>Total Libraries</b>	<b>124,550</b>	<b>104,000</b>	<b>104,000</b>	<b>104,000</b>	<b>436,550</b>
<b>Libraries - Funding Sources</b>					
Taxation	-	-	-	-	-
DC Fund	112,095	93,600	93,600	93,600	392,895
Grant	-	-	-	-	-
Contribution	12,455	10,400	10,400	10,400	43,655
Debenture	-	-	-	-	-
<b>Total Libraries - Funding Sources</b>	<b>124,550</b>	<b>104,000</b>	<b>104,000</b>	<b>104,000</b>	<b>436,550</b>

2019-2022 Capital Budgets Project List

DEPARTMENT AND PROJECT/ITEM	2019	2020	2021	2022	Total 2019 - 2022
<b>Fleet &amp; Equipment</b>					
FIRE - Utility Truck (360 - 2008) - buy-out Bldg vehicle leases					
FIRE - Public Educator Vehicle (3401 - 2010)					
PRC - NEW 550 4x4 Roll Off w/ Refuse Body					
PRC - Facilities (Electric) - buy-out Bldg vehicle leases					
PRC - Facilities - buy-out Bldg vehicle leases					
PRC - SUV - buy-out Bldg Vehicle leases					
PRC - NEW Pumper/Water Truck (used)					
PRC - Dodge Ram 3500 HD 4x4 (705-13) /1 Ton Crew Cab Dump w. Plow & Sander					
PRC - 1 Ton Truck with Plow (707-13)					
ROAD - 3/4 ton Long Box (803)					
TOWNSHIP - Replace Fuel Tanks - Works Yard (Pottageville)					
WATER - 1/2 Ton 4x4 pickup (607) (replace van with PU Truck)					
FIRE - Pumper Rescue Truck (382 - 2001) - DC6					
FIRE - Heavy Rescue Truck (389 - 1994/2009)					
PRC - NEW Single Axle 4x4 Dump Truck and Plow - DC23					
PRC - NEW Trail Groomer- DC12					
PRC - NEW Offset Flail Mower - DC18					
PRC - NEW 3/4 Ton 4x4 Pickup Truck - DC26					
PRC - NEW 50hp Tractor w. Quick Attach Loader - DC20					
PRC - NEW Landscaping Trailer - DC15					
PRC - John Deere 1445 (755-12) 30 HP Tractor					
PRC - John Deere 1445 (756-09) 30 HP Tractor					
PRC - John Deere 997 (761-14) 30HP Tractor					
PRC - Vermeer BC Chipper (767-07) (2002) Replacement					
ROAD - 3/4 Ton Long Box (802)					
ROAD - 3/4 Ton 4x4 Pickup (815)					
ROAD - Single Axle Dump Truck (832)					
ROAD - NEW Tandem Axle Dump Truck w. Plow - DC4					
FIRE - Pumper Rescue Truck (349-2001)					
PRC - NEW Chipper Truck					
PRC - NEW 3/4 Pickup w. Plow - DC25					
PRC - NEW Hydraulic Sander - DC22					
PRC - NEW Landscaping Trailer - DC19					
PRC - NEW Utility Van Facilities					
PRC - Chevrolet Silverado 3500 4x4 (702-13)					
PRC - John Deere 3720 (752-13)					
PRC - 44HP Tractore (754-10)					
PRC - Olympia Millenium (King City) (791-13) Ice Resurfacers					
PRC - Tandem Dump Trailer (735-10)					
PRC - Tandem Dump Trailer (736-10)					
PRC - Utility Trailer (737-13)					
ROAD - Grader (849)					
ROAD - 6ft. Roadside Mower (890)					
ROAD - 3/4 Ton 4x4 Pickup					
ROAD - NEW Bobcat/Skid Steer & Accessories					
WATER - Van (608)					
FIRE - Tanker Truck (365 - 2002)					
FIRE - Utility Truck (340 - 2012)					
PRC - Chevrolet Express (706-14) 1/2 Ton Utility Van					
PRC - GMC Sierra SLE 2500 HD 4x4 3/4 Ton Truck w. Plow (708-14)					
PRC - GMC Sierra SLE 2500 HD 4x4 (710-14)					

2019-2022 Capital Budgets Project List

DEPARTMENT AND PROJECT/ITEM	2019	2020	2021	2022	Total 2019 - 2022
PRC - Carryon Utility Trailer (729-14)					
PRC - Weberlane Trailer PT8 (730-13)					
PRC - Weberlane Trailer PT9 (731-13)					
PRC - Miska 5Ton Lower Bed Trailer (734-14)					
PRC - Deckover Trailer (732-10)					
PRC - Deckover Trailer (733-08)					
PRC - Toro 4000D (762-12) Wide Area Mower					
PRC - Toro ProCore 864 (766), Aerator					
PRC - Zamboni (Trisan) (792-02) Ice Resurfacers					
PRC - John Deere 997 (759-14) 30 HP Tractor					
ROAD - Single Axle Dump Truck (835)					
ROAD - Culvert Trailer (893)					
ROAD - Float King 20T60 Tandem Trailer (896)					
<b>Total Fleet &amp; Equipment</b>	<b>870,000</b>	<b>2,212,370</b>	<b>1,754,680</b>	<b>1,298,400</b>	<b>6,135,450</b>
<b>Fleet &amp; Equipment - Funding Sources</b>					
Taxation	659,500	770,570	1,292,930	1,298,400	4,021,400
Reserves	57,500	500,000	365,000	-	922,500
Reserve Fund	-	-	-	-	-
DC Fund	153,000	941,800	96,750	-	1,191,550
Grant	-	-	-	-	-
Contribution	-	-	-	-	-
Other	-	-	-	-	-
Debtenture	-	-	-	-	-
<b>Total Fleet &amp; Equipment - Funding Sources</b>	<b>870,000</b>	<b>2,212,370</b>	<b>1,754,680</b>	<b>1,298,400</b>	<b>6,135,450</b>

**2019-2022 Capital Budgets Project List**

DEPARTMENT AND PROJECT/ITEM	2019	2020	2021	2022	Total 2019 - 2022
<b>Fire Projects</b>					
E-hydraulics (Battery Operated Extrication Tools)					
Self Contained Breathing Apparatus - SCBA (cycle to training program)					
SCBA Air compressor/ Fill Station (Station 34)					
Fire Equipment to support expansion of KC Fire Station					
<b>Total Fire Projects</b>	<b>316,000</b>	<b>40,000</b>	<b>212,000</b>	<b>-</b>	<b>568,000</b>
<b>Fire Projects - Funding Sources</b>					
Taxation	316,000	40,000	212,000	-	568,000
Reserves	-	-	-	-	-
Reserve Fund	-	-	-	-	-
DC Fund	-	-	-	-	-
Grant	-	-	-	-	-
Contribution	-	-	-	-	-
Other	-	-	-	-	-
Debenture	-	-	-	-	-
<b>Total Fire Projects - Funding Sources</b>	<b>316,000</b>	<b>40,000</b>	<b>212,000</b>	<b>-</b>	<b>568,000</b>

2019-2022 Capital Budgets Project List

DEPARTMENT AND PROJECT/ITEM	2019	2020	2021	2022	Total 2019 - 2022
<b>Road, ROW Infrastructure Projects</b>					
10th Conc. King Rd. to 15th Sdrd.					
15th Sdrd. 10th Conc. To Hwy. 27					
15th Sdrd, Hwy 27 to 8th Con (incl. culverts 303, 304)					
Brownsview Crt, off Western Ave - New pavement					
Conversion of Gravel Roads to Paved Roads					
Traffic Signals - Various Locations					
South Canal Bank Rd - Asphalt Overlay					
Pumphouse Rd					
Culvert 210, King Caledon Townline (King's share only)					
Culverts 205, 207 and 208, 7th Con N. of King Rd					
Holden Dr, McTaggart to dead end					
McTaggart, Whitherspoon to Hwy 27					
Dr. Kay - Asphalt					
King St.					
Lockhart Lane, Kingcross to dead end					
Lloydtown Rd, Victoria, Centre, Rebellion					
Culvert 305					
PRC Sidewalk/Typology Projects					
King Rd, Dufferin St to 2585 King Road					
Main St Schomberg Reconstruction with MST incl. bridge					
King Rd, 2585 King Rd to Jane St					
<b>Total Road, ROW Infrastructure Projects</b>	<b>6,895,000</b>	<b>16,655,000</b>	<b>3,250,000</b>	<b>2,250,000</b>	<b>29,050,000</b>
<b>Road, ROW Infrastructure Projects - Funding Sources</b>					
Taxation	2,056,000	2,308,006	857,322	702,423	5,923,752
Reserves	600,000	3,582,337	1,615,276	590,175	6,387,788
Reserve Fund	520,000	2,064,469	777,402	777,402	4,139,272
DC Fund	3,544,000	7,935,000	-	180,000	11,659,000
Other	175,000	765,188	-	-	940,188
Debenture	-	-	-	-	-
<b>Total Road, ROW Infrastructure Projects - Funding Sources</b>	<b>6,895,000</b>	<b>16,655,000</b>	<b>3,250,000</b>	<b>2,250,000</b>	<b>29,050,000</b>

2019-2022 Capital Budgets Project List

DEPARTMENT AND PROJECT/ITEM	2019	2020	2021	2022	Total 2019 - 2022
<b>Water and Sewer Projects</b>					
Electrical Upgrades to Pumping Stations					
WASTEWATER - Nobleton Sewers Phases 3 and 4					
Nobleton Concurrent Works					
SCADA System					
<b>Total Water and Sewer Projects</b>	<b>200,000</b>	<b>5,832,180</b>	<b>7,089,370</b>	<b>7,039,370</b>	<b>20,160,920</b>
<b>Water &amp; Sewer Projects - Funding Sources</b>					
Taxation	-	-	-	-	-
Reserves	200,000	5,832,180	2,512,500	2,462,500	11,007,180
Reserve Fund	-	-	-	-	-
DC Fund	-	-	-	-	-
Other	-	-	4,576,870	4,576,870	9,153,740
Debenture	-	-	-	-	-
<b>Total Water &amp; Sewer Projects - Funding Sources</b>	<b>200,000</b>	<b>5,832,180</b>	<b>7,089,370</b>	<b>7,039,370</b>	<b>20,160,920</b>



2019-2022 Capital Budgets Project List

DEPARTMENT AND PROJECT/ITEM	2019	2020	2021	2022	Total 2019 - 2022
<b>Parks &amp; Recreation Projects</b>					
Skatepark - Schomberg (DC # 32) at Trisan Ctr					
Pottageville Ball Diamond/ Tennis					
Genview Park PPB DC #13					
Maidenstone DC #26					
Lions Park Playground - Schomberg					
Fox Trail Park					
Trail Development (DC) - N1 Cold Creek to Bolton					
Ansnoerveldt Park Upgrades					
Blue Heron PPB DC #15					
Kettle Lake Park PPB DC #14					
Tomlinson Gardens Playground and Park					
Nobleton Lions Community Park Phase 3					
Trail Development (DC) - N21					
Schomberg Tennis Court					
King City North Community Park - Phase 1 DC#38					
King City North Neighbourhood Park 1 (Future DC)					
King City North Neighbourhood Park 2 (Future DC)					
Tasca Community Park - DC#9, 22 (Post period benefit)					
Salamander Park					
Memorial Park Upgrade (DC, intensification)					
St. Andrews Park Upgrade (DC, intensification)					
Neiuland Park Upgrade (DC, intensification)					
OSIN Park Phase 2 (DC #10)					
Wellesley Park Upgrade (Partial DC, intensification)					
Parks - Community Event Sign					
<b>Total Parks &amp; Recreation Projects</b>	<b>1,130,000</b>	<b>1,242,520</b>	<b>2,136,400</b>	<b>4,585,530</b>	<b>9,094,450</b>
<b>Parks &amp; Recreation Projects - Funding Sources</b>					
Taxation	395,320	862,324	142,988	419,417	1,820,049
Reserves	135,280	3,528	121,752	-	260,560
Reserve Fund	-	-	250,000	-	250,000
DC Fund	599,400	376,668	1,616,760	4,081,013	6,673,841
Grant	-	-	-	-	-
Contribution	-	-	-	-	-
Other	-	-	4,900	85,100	90,000
Debenture	-	-	-	-	-
<b>Total Parks &amp; Recreation Projects - Funding Sources</b>	<b>1,130,000</b>	<b>1,242,520</b>	<b>2,136,400</b>	<b>4,585,530</b>	<b>9,094,450</b>

2019-2022 Capital Budgets Project List

DEPARTMENT AND PROJECT/ITEM	2019	2020	2021	2022	Total 2019 - 2022
<b>Information Technology</b>					
Equipment	50,000	50,000	50,000	50,000	200,000
<b>Total Information Technology</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>200,000</b>
<b>Information Technology Projects - Funding Sources</b>					
Taxation	50,000	50,000	50,000	50,000	200,000
Reserves	0	0	0	0	0
Reserve Fund	0	0	0	0	0
DC Fund	0	0	0	0	0
Grant	0	0	0	0	0
Contribution	0	0	0	0	0
Other	0	0	0	0	0
Debenture	0	0	0	0	0
<b>Total Information Technology Projects - Funding Sources</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>200,000</b>
<b>TOTAL RECOMMENDED PROJECTS</b>	<b>29,339,550</b>	<b>40,290,410</b>	<b>29,136,450</b>	<b>26,981,960</b>	<b>125,748,370</b>
<b>Total - Funding Sources</b>					
Taxation	4,645,240	4,645,240	4,645,240	4,645,240	18,580,961
Reserves	1,230,308	10,588,045	4,714,528	3,052,675	19,585,556
Reserve Fund	7,195,000	2,074,469	1,027,402	777,402	11,074,272
DC Fund	12,231,547	14,437,068	8,307,110	4,354,613	39,330,338
Grant	0	0	0	0	0
Contribution	12,455	10,400	10,400	10,400	43,655
Other	1,025,000	8,535,188	7,581,770	9,161,970	26,303,928
Debenture	3,000,000	0	2,850,000	4,979,660	10,829,660
<b>TOTAL FUNDING SOURCES</b>	<b>29,339,550</b>	<b>40,290,410</b>	<b>29,136,450</b>	<b>26,981,960</b>	<b>125,748,370</b>