



# CAPITAL BUDGET

As adopted on December 12, 2023

# 2024 Capital Budget and 10-Year Capital Plan

The Capital Budget includes capital spending of \$65.4 million in 2024. The Capital Budget Authority of \$222.1 million includes an increase of \$36.9 million after the closure of 50 projects with a total budget of \$18.6 million. The 10-Year Capital Plan includes years 2024 to 2033 with a total of \$304.2 million in capital projects.

## The budget includes \$222.1 million of Capital Budget Authority

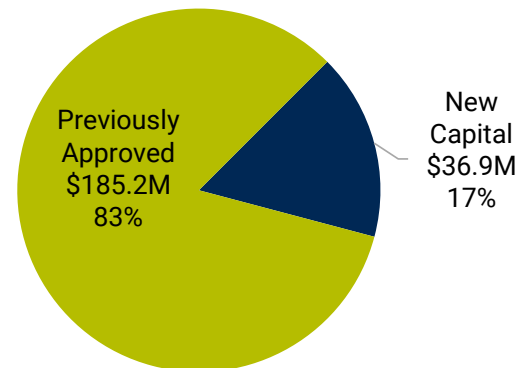
Capital Budget Authority represents the multi-year commitment needed to complete the active phase of capital projects. This includes contracts for consulting services, the lead time for the purchase of vehicles or the construction of the project. Sometimes, these contractual commitments may need to be made in the year before the spending occurs due to the longer lead time required to procure a good or service.

Capital Budget Authority is made up of four elements:

- + Life to date actuals spent on a project to the end of the last fiscal year
- + The current year's expenditure forecast
- + The cash flow planned in the first budget year
- + The cash flow, as required, for future budget years where contractual commitments are planned

This means the 2024 Capital Budget Authority includes actuals to December 31, 2022, plus the 2023 forecast, plus 2024 capital cash flow and capital from 2025 and beyond only as required. This budget includes a total of \$222.1 million in Capital Budget Authority which is made up of \$185.2 million in previously approved capital projects and \$36.9 million in new budget requests.

## 2024 Capital Budget Authority



## 2024 Capital Budget Authority

| (\$000s)               | Previously Approved Budget | 2024 Budget               |                 | Capital Budget Authority Cash Flow |                 |                 |                  |
|------------------------|----------------------------|---------------------------|-----------------|------------------------------------|-----------------|-----------------|------------------|
|                        |                            | Capital Budget Authority* | Budget Change   | Actuals to Dec/22                  | 2023 Forecast   | 2024            | 2025+            |
| Asset Management       | 65,356.2                   | 92,902.0                  | 27,545.8        | 21,853.8                           | 20,311.9        | 46,406.3        | 161,373.6        |
| Growth & New           | 115,581.8                  | 124,303.2                 | 8,721.3         | 72,676.6                           | 30,322.3        | 17,266.0        | 74,781.2         |
| Studies & Other        | 4,271.1                    | 4,932.5                   | 661.4           | 1,662.2                            | 1,461.4         | 1,731.6         | 2,668.6          |
| <b>Approved Budget</b> | <b>185,209.2</b>           | <b>222,137.7</b>          | <b>36,928.5</b> | <b>96,192.6</b>                    | <b>52,095.6</b> | <b>65,403.9</b> | <b>238,823.3</b> |

\* Includes all active project budgets, adjustments and new budget commitments

### Most of the planned 2024 spending is for asset management and growth

In 2024, the Budget plans for \$66.4 million on capital projects. This includes \$46.4 million for asset management, \$17.3 million for growth and \$1.7 million for studies and other.

Most of the \$46.4 million for asset management capital is for projects included in the five capital programs: facilities, fleet, roads, storm sewer, information technology and with the largest share, \$23.6 million for roads and related infrastructure including:

- \$6.9 million for reconstruction of Poplar Crescent
- \$3.8 million for rehabilitation of the road surface of Avondale Crescent, Centre Street and Earl Stewart Drive
- \$3.7 million for road resurfacing and rehabilitation of Gurnett, Kennedy and Victoria Street
- \$2.9 million for the full of reconstruction of Marksbury, Gilbank, Lacey and McLeod Street
- \$2.0 million for the rehabilitation of Mill, Wells, Edward and Temperance Street
- \$2.3 million for the realignment and regrading of a stream channel on Delayne Drive

Other asset management projects include:

- \$1.6 million for rehabilitation of watermain at Mary Street
- \$1.4 million for rehabilitation of stormwater management ponds
- \$1.0 million for playground and picnic shelter replacement at Fleury Park
- \$0.4 million for playground replacement (fully accessible) at Town Park
- \$0.3 million for playground replacement and parking lot construction at Evans Park
- \$0.3 million for the playground replacement, walkway repaving and basketball resurfacing at Summit Park

## Capital Budget Authority and 2024 planned spending by department

| (\$000s)                                   | Previously Approved Budget | 2024 Budget               |                 | Capital Budget Authority Cash Flow |                 |                 |                  |
|--|----------------------------|---------------------------|-----------------|------------------------------------|-----------------|-----------------|------------------|
|  |                            | Capital Budget Authority* | Budget Change   | Actuals to Dec/22                  | 2023 Forecast   | 2024            | 2025+            |
| <b>Office of the CAO</b>                   |                            |                           |                 |                                    |                 |                 |                  |
| Studies & Other                            | 125.0                      | 125.0                     | -               | 61.9                               | -               | 63.1            | 128.9            |
|  | 125.0                      | 125.0                     | -               | 61.9                               | -               | 63.1            | 128.9            |
| <b>Community Services</b>                  |                            |                           |                 |                                    |                 |                 |                  |
| Asset Mgmt                                 | 5,106.7                    | 6,561.7                   | 1,455.0         | 1,491.0                            | 1,959.5         | 3,111.1         | 16,727.2         |
| Growth & New                               | 67,700.9                   | 68,251.6                  | 550.8           | 38,747.0                           | 24,333.7        | 5,171.0         | 267.1            |
| Studies & Other                            | 445.0                      | 565.0                     | 120.0           | 188.0                              | 187.0           | 190.0           | 175.5            |
|  | 73,252.5                   | 75,378.3                  | 2,125.8         | 40,426.0                           | 26,480.2        | 8,472.1         | 17,169.8         |
| <b>Corporate Services</b>                  |                            |                           |                 |                                    |                 |                 |                  |
| Asset Mgmt                                 | 1,632.9                    | 1,632.9                   | (0.0)           | 1,494.7                            | 38.1            | 100.1           | -                |
| Growth & New                               | 688.1                      | 773.1                     | 85.0            | 424.4                              | 173.8           | 174.9           | 341.0            |
| Studies & Other                            | 293.2                      | 293.2                     | (0.0)           | 190.7                              | 49.8            | 52.7            | 131.8            |
|  | 2,614.2                    | 2,699.2                   | 85.0            | 2,109.7                            | 261.6           | 327.8           | 472.8            |
| <b>Finance</b>                             |                            |                           |                 |                                    |                 |                 |                  |
| Asset Mgmt                                 | 11,065.4                   | 11,573.4                  | 508.0           | 4,050.3                            | 3,782.6         | 3,530.4         | 3,716.4          |
| Growth & New                               | 751.6                      | 751.6                     | -               | 177.0                              | 184.0           | 390.5           | -                |
| Studies & Other                            | 640.0                      | 640.0                     | 0.0             | 92.7                               | 200.9           | 269.1           | 384.7            |
|  | 12,457.0                   | 12,965.0                  | 508.0           | 4,320.0                            | 4,167.5         | 4,190.1         | 4,101.1          |
| <b>Operational Services</b>                |                            |                           |                 |                                    |                 |                 |                  |
| Asset Mgmt                                 | 5,456.7                    | 9,920.3                   | 4,463.7         | 1,430.9                            | 2,786.7         | 4,952.8         | 40,223.8         |
| Growth & New                               | 19,839.7                   | 27,104.7                  | 7,265.0         | 9,223.7                            | 3,899.3         | 9,943.4         | 40,439.0         |
| Studies & Other                            | 589.5                      | 589.5                     | (0.0)           | 136.7                              | 347.1           | 105.7           | 240.4            |
|  | 25,885.8                   | 37,614.5                  | 11,728.7        | 10,791.3                           | 7,033.1         | 15,002.0        | 80,903.2         |
| <b>Planning &amp; Development Services</b> |                            |                           |                 |                                    |                 |                 |                  |
| Asset Mgmt                                 | 41,313.4                   | 62,446.1                  | 21,132.7        | 12,832.1                           | 11,607.2        | 34,636.8        | 100,581.2        |
| Growth & New                               | 11,838.1                   | 12,615.5                  | 777.4           | 9,970.1                            | 1,159.3         | 1,486.2         | 28,101.5         |
| Studies & Other                            | 2,008.4                    | 2,549.8                   | 541.4           | 936.1                              | 562.8           | 1,050.9         | 1,607.3          |
|  | 55,159.9                   | 77,611.4                  | 22,451.5        | 23,738.3                           | 13,329.4        | 37,173.9        | 130,290.0        |
| <b>Subtotal</b>                            | <b>169,494.3</b>           | <b>206,393.3</b>          | <b>36,899.0</b> | <b>81,447.1</b>                    | <b>51,271.8</b> | <b>65,228.9</b> | <b>233,065.7</b> |
| <b>Central York Fire Services</b>          |                            |                           |                 |                                    |                 |                 |                  |
| Growth & New                               | 13,706.3                   | 13,706.3                  | 0.0             | 13,234.1                           | 472.2           | -               | 5,332.6          |
|  | 13,706.3                   | 13,706.3                  | 0.0             | 13,234.1                           | 472.2           | -               | 5,332.6          |
| <b>Aurora Public Library</b>               |                            |                           |                 |                                    |                 |                 |                  |
| Asset Mgmt                                 | 781.3                      | 767.7                     | (13.6)          | 554.9                              | 137.8           | 75.0            | 125.0            |
| Growth & New                               | 1,057.2                    | 1,100.3                   | 43.1            | 900.3                              | 100.0           | 100.0           | 300.0            |
| Studies & Other                            | 170.0                      | 170.0                     | 0.0             | 56.2                               | 113.8           | -               | -                |
|  | 2,008.5                    | 2,038.0                   | 29.5            | 1,511.4                            | 351.6           | 175.0           | 425.0            |
| <b>Approved Budget</b>                     | <b>185,209.2</b>           | <b>222,137.7</b>          | <b>36,928.5</b> | <b>96,192.6</b>                    | <b>52,095.6</b> | <b>65,403.9</b> | <b>238,823.3</b> |

\* Includes all active project budgets, adjustments and new budget commitments

Capital spending on growth represents \$17.3 million of the planned spending for 2024. Most of this is for facilities and parks projects: \$2.5 million for a new artificial ice rink, \$2.5 million to complete Aurora Town Square, \$2 million for the 7,500 square-foot gym at the Stronach Aurora Recreation Complex, \$2 million to complete the Artificial Turf at the Dr. G.W. Williams Secondary School and \$1.7 million for the non-programmed park.

Studies and other projects represent the smallest amount of the planned spending at \$1.7 million. Studies planned for 2024 include: the Sports Plan update, the Town Hall Accommodation Plan, Town Wide Parking Lot Study, and continuation of the work on the Energy Retrofit Program and Water and Wastewater Master Plan update.

### Three departments account for 86.6% of the Capital Budget Authority

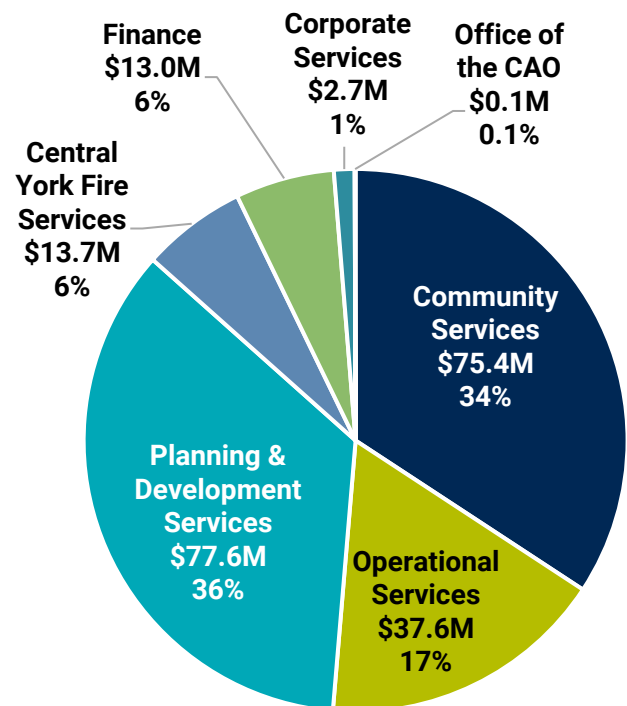
Community Services, Operational Services and Planning and Development Services represent 86.6 percent of the Capital Budget Authority.

The mix of project types vary across these three largest budgets. Planning and Development Services has the largest amount of asset management Capital Budget Authority as it includes \$46.7 million for roads program and \$12.7 million for the storm sewer projects.

Community Services total Capital Budget Authority includes 90 percent for growth and new projects, while the Operational Services capital budget has growth and new at 72 percent of their budget and asset management at 26 percent.

More information on the Capital Budget priorities and initiatives can be found in the departmental business plans.

**Capital Budget Authority by department**



### The 10-Year Capital Plan includes \$304.2 million in planned spending

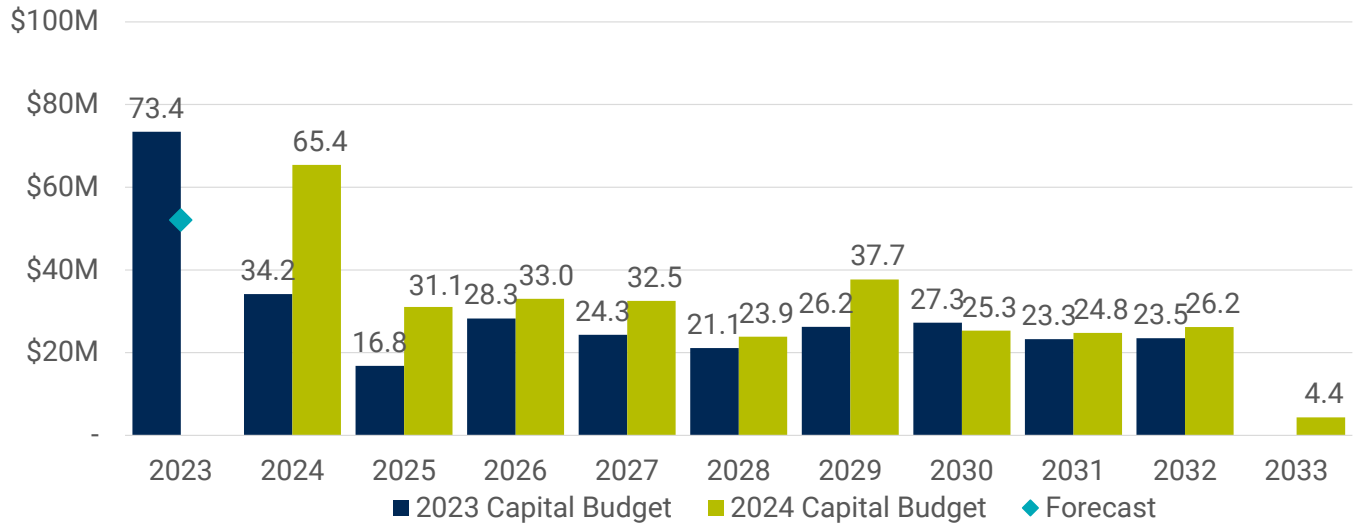
The 10-Year Capital Plan continues to focus its investments in asset management projects representing 68.3 percent of the capital plan, with growth and new at 30.3 percent and studies and other at 1.4 percent.

Currently, the 10-year capital plan does not include any projects for roads, parks and facilities in the final year. The 2025 budget will revisit the plan in further detail and be informed by the next phase of the asset management plan and the recently completed roads condition assessment and as well as the building condition assessment.

## The 10-Year Capital Plan has increased compared to last year's plan

When comparing the nine common years of this 10-Year Capital Plan to last year's 10-Year Capital Plan, 2024 to 2032, it has increased \$74.9 million. The primary reason for this increase is the impact of inflation on planned capital projects and \$21.3 million from the 2023 forecast being deferred and re-cash flowed into future years. The inflationary impact on planned capital projects has led to increased pressure on Town's tax-funded reserves. The details related to the impact on reserves are captured under the Reserves and Debt Management Tab – 5 of the binder.

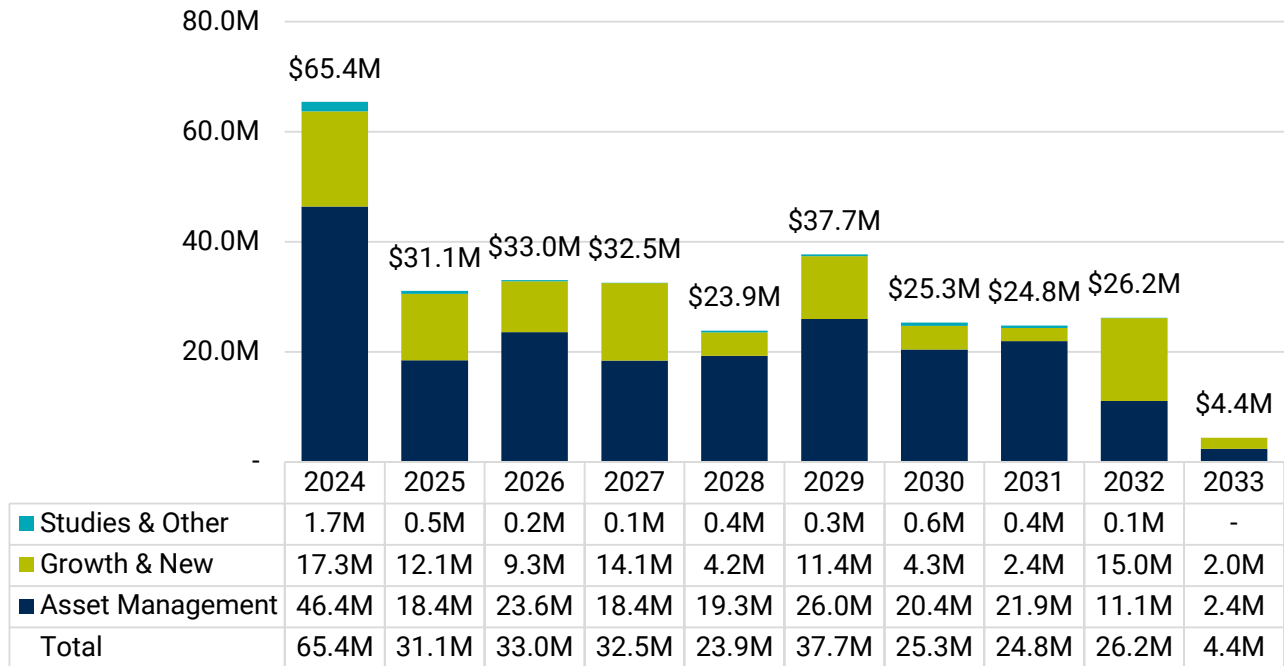
### 10-Year Capital Plan compared to last years' plan



### Most of the capital spending occurs in the first five years of the plan

The first five years of the plan includes just over 60 percent or \$185.9 million in capital spending compared to the second five years which is \$67.1 million less at \$118.4 million. The main reason for this is the first five years of the plan includes significant investments in new capital, including investments in roads program and new facilities such as the completion of Aurora Town Square, and the addition of the gym at the Stronach Aurora Recreation Complex. The first five years also includes significant expenditures in parks to add two artificial turf fields to manage the planned loss of use of the Stronach fields and the construction of a new Lions Park.

## 10-Year Capital Plan project profile



### The second five years of the plan focuses more on asset management

The 10-year capital plan continues to focus on asset management projects in the second five years of the plan. However, even the investments in asset management decline during this period. There are no projects planned for roads, facilities, and parks in the final year of the plan. The 2025 budget will revisit plan in further detail and be informed by the next phase of the asset management plan and the recently completed roads and building condition assessments.

### Capital programs are providing flexibility in delivering asset management projects

The budget includes capital programs for facilities, fleet, roads, information technology and storm sewer asset management projects. The Capital Budget Authority for the five capital programs totals \$71.0 million with \$39.2 million planned to be spent in 2024. These programs also represent 76 percent of the asset management capital spending authority.

## Capital Budget Authority for capital programs

| (\$000s)                                 | Previously Approved Budget | 2024 Budget               |                 | Capital Budget Authority Cash Flow |                 |                 |                  |
|--|----------------------------|---------------------------|-----------------|------------------------------------|-----------------|-----------------|------------------|
|  |                            | Capital Budget Authority* | Budget Change   | Actuals to Dec/22                  | 2023 Forecast   | 2024            | 2025+            |
| <b>Asset Management Capital Programs</b> |                            |                           |                 |                                    |                 |                 |                  |
| Facilities                               | 4,928.3                    | 6,278.3                   | 1,350.0         | 1,441.7                            | 1,913.7         | 2,922.8         | 16,240.0         |
| Fleet                                    | 1,431.9                    | 2,418.0                   | 986.1           | -                                  | 1,431.9         | 986.1           | 15,080.5         |
| IT Services                              | 2,392.5                    | 2,900.5                   | 508.0           | 202.5                              | 1,156.4         | 1,331.5         | 2,261.1          |
| Roads                                    | 32,124.7                   | 46,717.4                  | 14,592.7        | 11,373.2                           | 10,308.4        | 23,620.9        | 58,838.1         |
| Storm Sewer                              | 7,721.5                    | 12,656.5                  | 4,935.0         | 1,240.0                            | 1,122.8         | 10,293.7        | 34,633.1         |
| <b>Approved</b>                          | <b>48,598.8</b>            | <b>70,970.6</b>           | <b>22,371.8</b> | <b>14,257.4</b>                    | <b>15,933.2</b> | <b>39,154.9</b> | <b>127,052.8</b> |

\* Includes all active project budgets, adjustments and new budget commitments

### The 10-Year Capital Plan links to the capital planning pillar of the fiscal strategy

The capital plan focuses on the first 10 years of the longer-term capital planning identified in the Fiscal Strategy. Over the next few years, the capital plan will become more refined as the strategic actions of the Fiscal Strategy are completed. The strategic actions that will provide the greatest support to the 10-year Capital Plan are:

- Further develop asset management planning including defining service levels
- Ensure the development charge study and the capital plan are aligned with the latest legislative changes
- Improve longer-term growth forecasts to maintain existing levels of service for the latest housing targets

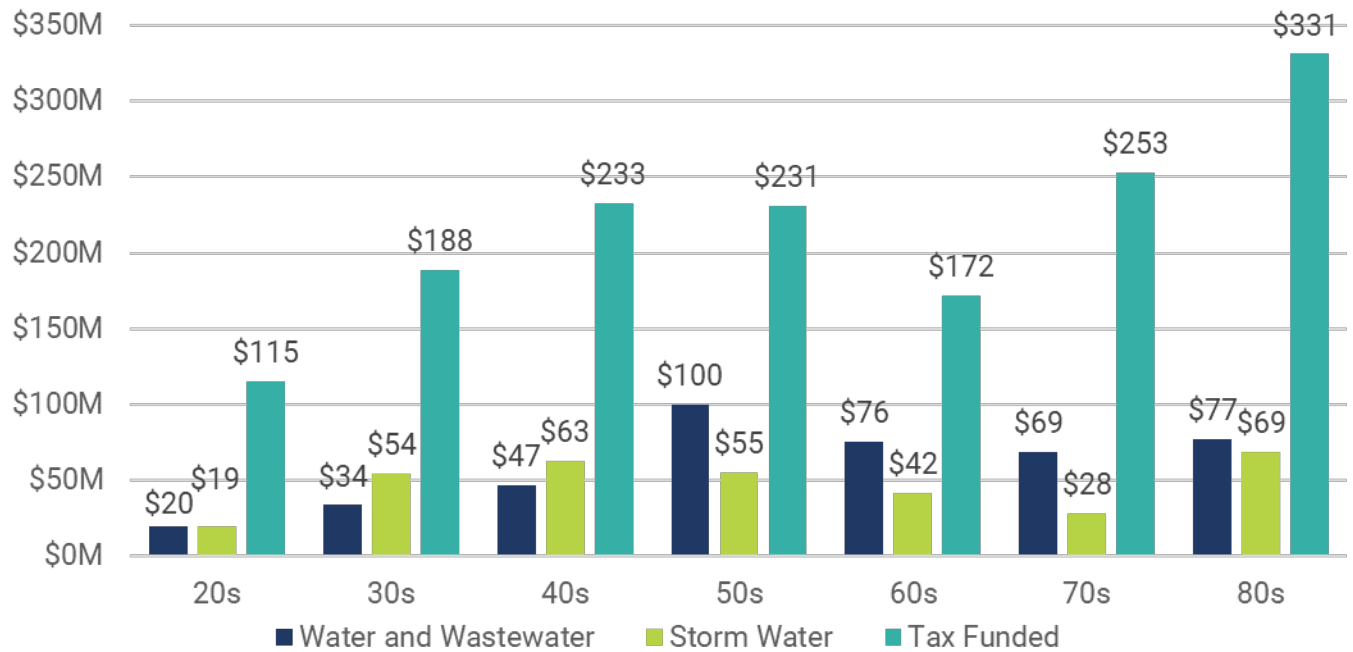
### 10-year asset management capital will be based on the asset management plan

Managing the asset management projects within the 10-Year Capital Plan will become more clearly defined once all three phases of the second-generation asset management plan are complete. Based on the provincial regulations, they must be done by July 1, 2025. However, the Town is aiming to complete second-generation asset management plan by mid-2024.

This work should streamline the development of the 10-Year Capital Plan as the first 10 years of the asset management plan could be used. After that only asset management needs for new assets would need to be added. This will effectively create a long-term reliable capital plan for asset management.



## Asset management forecasted capital planning needs by decade



Source: Town of Aurora CityWide Asset Management System

### The capital plan will need to continue to adapt to the pace of growth

Growth projects in the capital plan need to be aligned with the timing of when the growth will happen. This means the budget must adapt to the timing of growth. One of the key pieces for managing growth projects in the plan is the amount of development charge revenues available. These can slow or accelerate based on market conditions but can also be constrained by servicing capacity (the ability to provide water and wastewater services to new properties). Recently approved legislative changes by the province will also impact the ability to fund growth projects from development changes. These factors need to be considered when planning new growth projects.

### Capital projects are assigned new project numbers

In 2023, the Town implemented a new financial system. The new system includes more sophisticated tools for managing capital projects and provided the opportunity to refresh the project numbering methodology. Capital project numbers now include a prefix which indicates the type of project:

- “AM” for asset management projects
- “GN” for Growth and new projects
- “SO” for studies and other projects

The numbering for active projects and future projects is also distinct. The financial system only assigns capital projects numbers once the project is approved and becomes active. These

projects include six characters: two letters based on their type as described above followed by four numbers (e.g. AM0001).

For planning purposes, future projects include an "F" between the two-letter prefix and the four numbers (e.g. AM-F-0001). Once the project is approved, the next available new six-character project number will be assigned.

Detailed individual project information can be found in Tabs 16 to 18 of this Budget.