

TOWN OF SEDGEWICK BUDGET

2020

CAPITAL - CURRENT



Current

Category	Project	2020 Budget	Funded by Sale of Asset	Funded by Grants	Funded by Reserves	Funded by Debenture	Funded by 2020 Taxes
Public Works	Gravel Truck	\$40,000	\$5,000		\$35,000		
Public Works	Pickup Truck	\$37,000	\$20,000		\$17,000		
Public Works	1 Ton Truck (carried over from 2019)	\$20,000			\$20,000		
Public Works	Utility Trailer with tanks & pumps	\$3,000			\$3,000		
Public Works	20' Shipping Container	\$4,000			\$4,000		
Public Works	Main Street Completion	\$300,000		\$300,000			
Water	Hydrant Replacement (7)	\$20,000			\$20,000		
Water	Water Meters (10)	\$5,000			\$5,000		
Water	Well starter boxes (3)	\$4,500			\$4,500		
		\$433,500	\$25,000	\$300,000	\$108,500	\$0	\$0

2020 Capital Budget

The capital budget for 2020 includes 9 projects for a total of \$433,500. The projects include the following:

- 1) Single axel gravel truck - This would replace the Town's current 1987 model. It will be used to haul snow in the winter and branches/dirt in the summer. The amount budgeted is for a used model and we expect to generate \$5000 by selling the current unit.
- 2) Pickup truck - This would replace the pickup driven by the Public Works Foreman. The current pickup was purchased in 2015 and historically has been replaced every 5 years under Town policy and gifted to either the Sedgewick Lake Park Assoc. or the Sedgewick Golf Club. This policy has since been rescinded, so selling the truck is also an option. The purchase of the new truck would occur later in 2020 to maximize the use of the current truck which only has 30,000 kms on it.
- 3) 1 Ton Truck - This was included in the 2019 capital budget with funding to come from reserves. The Town is looking for a quality used model, and was not able to locate the right fit in 2019.
- 4) Utility Trailer with tanks and pumps - The current method for refueling the riding mowers is by 20L jerry cans. This often results in spills. For a minimal expense, slip tanks can be carried by a utility trailer to make the process much easier and safer for staff.
- 5) 20' Shipping container - With space at a premium, the shipping container would be stored in the public works compound and be used to store water valve and hydrant parts as well as off-season tools.
- 6) Main Street Completion - There is work to be carried over into 2020 for the revitalization of Main Street.
- 7) Hydrant replacement - The hydrant replacement program requires that 7 more hydrants be replaced in 2020. This is due to lead seals that present a danger of failing under pressure. This should be the end of the program.
- 8) Water meter replacement - Most residential water meters are nearing the end of their 20 year life cycle. The Town aims to replace 10 meters each year. The meters are replaced with an updated model that includes radio frequency.
- 9) Well starter boxes - Wells #5,6 and 7 require new starter boxes as the current boxes have become corroded to the extent that multiple cleanings have not been able to restore their full function. This leads to the requirement of a manual resetting to start the well.

TOWN OF SEDGEWICK BUDGET

2021-2025

CAPITAL - FORECAST



Forecast

Category	Project	2021	2022	2023	2024	2025	5 Year Total
Public Works	Street Sweeper	\$50,000					\$50,000
Public Works	Flat Deck Water Truck	\$20,000					\$20,000
Public Works	Grader		\$150,000				\$150,000
Public Works	Bucket Truck				\$40,000		\$40,000
Public Works	Utility Tractor				\$35,000		\$35,000
Public Works	Pickup Truck			\$40,000			\$40,000
Water	Raw Water System Upgrade	\$350,000					\$350,000
Sewer	Sanitary Sewer Replacement Program		\$500,000			\$600,000	\$1,100,000
Grants and Reserves							
	Accumulated MSI Funds*	\$272,332	\$247,332	\$82,332	\$267,332	\$452,332	
	Accumulated FGTF*	\$110,000	\$160,000	\$60,000	\$110,000	\$160,000	
	Accumulated Reserve Funds*	\$1,034,596	\$1,024,596	\$1,014,596	\$1,064,596	\$1,244,596	
Total Cost of Capital Projects		\$420,000	\$650,000	\$40,000	\$75,000	\$600,000	\$1,785,000
Funding Source							
	From MSI	\$210,000	\$350,000			\$500,000	
	From FGTF		\$150,000			\$100,000	
	From Reserves	\$210,000	\$150,000	\$20,000	\$75,000		
	From Operating						
	From Other			\$20,000			
Unfunded		\$0	\$0	\$0	\$0	\$0	

***Notes and Assumptions**

- MSI Capital adding \$185,000 per year
- FGTF adding \$50,000 per year
- Reserves adding \$200,000 per year

2021-2025 Capital Forecast

Projects

The capital forecast for 2021-2025 remains focused on the replacement of public works equipment. In the next 5 years the Town plans on replacing the street sweeper, flat deck water truck, grader, bucket truck and utility tractor. Current models of the equipment are for the most part past their life cycle and in many cases are expected to cause safety/operational issues for staff if not replaced as per the forecast. The town also has an agreement to replace a 1/2 ton pickup truck in 2023. There will need to be a concerted effort to put away funds into reserves in a timely fashion to meet these milestones. To date this has been challenging.

Other items planned in the next 5 years include 5-6 blocks of sanitary sewer replacement and the replacement of the water treatment plants three filters.

The three filters at the water treatment plant have a life expectancy of 35 years and are past their expected service life including the greensand media within. In addition, the existing raw water and back wash piping is failing and should be updated to be capable of automation so as to be included in SCADA programming. Including a contingency the project is expected to cost \$350,000.

It is estimated that a block of sani sewer replacement generally costs \$200,000. This estimate is based on doing more than 1 block at a time so as to minimize mobilization costs. The earliest construction season that the town would be able to proceed with more than one block would be 2022 when there would be approximately \$500,000 available. Whereas it might be possible to complete 3 blocks with this amount (largely dependent on amount of paving that would need to be done), it is also very possible that it would make more sense to delay the project until 2023. With approximately 13 blocks of clay tile sewer main still to be replaced, if two cycles are completed as per the forecast (2022 & 2025) then at least 7 blocks would remain after 2025 with a completion year of approximately 2034.

Funding

Identified sources of funding over the next five years include the Municipal Sustainability Initiative capital grant (MSI), the Federal Gas Tax Fund Grant (FGTF) and restricted reserves. By the end of 2019, the Town will have essentially used all of its MSI allocated funds through 2018. The forecast had assumed MSI capital funding of \$200,000 through the next 5 years, but this has since been downgraded to \$185,000 with the release of the most recent Provincial budget. It should be noted that MSI will come to an end in 2021-22 and as of yet there has been no replacement announced for the program although it seems that funding will be more consistent but most likely more in line with other provinces.

The FGTF has consistently allocated \$50,000 to the Town of Sedgewick since 2010. In 2019 an additional 'top-up' payment of \$50,000 was allocated to the Town providing \$100,000 for the year. The forecast has assumed a consistent \$50,000 FGTF payment over the next 5 years.

The Town currently has 9 'restricted' reserve funds that total \$1,063,261. Funds are placed into reserves within a general category such as water infrastructure, sewer infrastructure or public works. Despite this, by resolution, the funds can be allocated to a project as per Council's wishes. The forecast has assumed that \$200,000 will be added to the Town's reserves each year. In 2018 \$337,540 was transferred to reserves and in 2019 \$208,846. In 2020, the proposed budgets have \$281,072 being moved into restricted reserves.

TOWN OF SEDGEWICK BUDGET

2020

Capital Reserves and Grants - Sources of Funding

Capital Reserves	Jan. 1 2020 Amount	To be Used	Remaining
49700900 - General Operating	\$128,339	\$0	\$128,339
49700901 - General Capital	\$209,185	\$7,000	\$202,185
Utility trailer with tanks & pumps		\$3,000	
Shipping Container		\$4,000	
49700995 - PW Equipment	\$157,917	\$72,000	\$85,917
Single Axle Gravel Truck		\$35,000	
1 Ton Truck (carried over from 2019)		\$20,000	
Pickup Truck		\$17,000	
49700997 - Rec Operating	\$200,983	\$0	\$200,983
49700998 - Rec Capital	\$117,435	\$0	\$117,435
49741991 - Water Infrastructure	\$96,543	\$29,500	\$67,043
Replacement Hydrants (7)		\$20,000	
Water meters (10)		\$5,000	
Well starter boxes		\$4,500	
49742901 - Sewer Infrastructure	\$58,750	\$0	\$58,750
49791900 - Natural Gas Infrastructure	\$131,203	\$0	\$131,203
49791901 - Cemetery	\$7,000	\$0	\$7,000
Total Capital Reserves	\$1,107,355	\$108,500	\$998,855

Grants	Jan 1. 2020	Use in 2020	Ending 2020
497321000 - MSI Capital	\$387,332	\$300,000	\$87,332
Main Street/Sanitary Sewer		\$300,000	
49701005 - FGTF	\$60,000	\$0	\$60,000
Total Grants	\$447,332	\$300,000	\$147,332

List of Reserves

	Jan. 1, 2019	2019 Contribution	2019 Used	To 2020 Operating	From 2020 Operating	Available
Restricted Reserves						
49700900 General Operating	\$136,236	\$0	(\$7,897)	(\$0)		\$128,339
49700901 General Capital	\$149,311	\$149,615	(\$89,741)	(\$0)		\$209,185
49700995 PW Equipment	\$73,863	\$14,054	(\$40,000)	(\$0)	\$110,000	\$157,917
49700997 Rec Operating	\$221,064	\$8,419	(\$28,500)	(\$0)		\$200,983
49700998 Rec Capital	\$105,435	\$12,000	(\$0)	(\$0)		\$117,435
49723901 Fire Capital	\$0	\$35,741	(\$0)	(\$0)		\$35,741
49741991 Water Infrastructure	\$261,853	\$84,690	(\$250,000)	(\$0)		\$96,543
49742901 Sewer Infrastructure	\$0	\$58,750	(\$0)	(\$0)		\$58,750
49791900 Natural Gas Capital Reserve	\$108,499	\$22,704	(\$0)	(\$0)		\$131,203
49791901 Cemetery	\$7,000	\$0	(\$0)	(\$0)		\$7,000
All Reserves	\$1,063,261	\$385,973	(\$416,138)	(\$0)	\$110,000	\$1,143,096

List of Available Grants

	Jan. 1, 2019	2019 Contribution	2019 Used	To 2020 Operating	From 2020 Operating	Available
MSI Op.						
49701009 MSI Operating Grant	\$0	\$40,785	(\$40,785)			\$0
49701006 MSI Operating Interest						\$0
Total MSI Op.						\$0
MSI Capital						
49732100 MSI Capital Grant	\$1,631,892	\$208,177	(\$1,452,737)			\$387,332
49701010 MSI Capital Interest						\$0
Total MSI Cap.						\$387,332
FGTF						
49701005 FGTF Grant	\$153,733	\$100,000	(\$193,733)			\$60,000
49701008 FGTF Interest						\$0
Total FGTF						\$60,000
All Grants	\$1,785,625	\$348,962	(\$1,687,255)	(\$0)		\$447,332