

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)	\$22,000			\$22,000		
Public Works	Utility Vehicle with attachments	\$44,700			\$37,600		\$7,100
Public Works	Double Axle Trailer	\$6,000			\$6,000		
Public Works	20' Shipping Container	\$6,000			\$6,000		
Public Works	Main Street Completion	\$311,400		\$311,400			
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		
Water	Water Meter System Update	\$50,000			\$50,000		
Sewer	Sewer camera and locator	\$15,000			\$15,000		
Recreation	Temporary Roof Repair	\$218,000			\$218,000		
Broadband	Internet Tower Completion	\$24,500			\$24,500		
Natural Gas	Gas Meter System Update	\$60,000			\$60,000		
		\$864,100	\$25,000	\$311,400	\$520,600	\$0	\$7,100

2020 Capital Budget

The capital budget for 2020 includes 15 projects for a total of \$864,100. The projects include the following:

- 1) Main Street Completion - Landscaping and finishing work to be completed this spring.
- 2) 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.
- 3) 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 This policy has since been rescinded, so selling the truck is also an option.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.
- 4) 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.
- 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) 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.
- 7) 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.
- 8) 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.
- 9) Utility Vehicle and attachments - A utility vehicle with a blade attachment and box will be used to help clear snow. The rec centre and Sedgewick Lake Park may have uses for it in the summer months.
- 10) Double Axle Trailer - A heavier duty double axle trailer with tilt deck is required to haul equipment. This includes servicing the new bobcat utility vehicle in Camrose.
- 11) Sewer Camera with locator - The Sewer Camera that we currently share with the Town of Killam is outdated and doesn't function well. The new camera won't be shared and adding a locator will help us identify where lines run and where blockages are.
- 12) Temporary Rec Roof Repair - Council made the decision to take temporary measures to repair the roof of the hockey arena so as to resume operations as quickly as possible.
- 13) Natural gas and water meter systems update - SKNGS is recommending that the meter system, software and readers be updated to allow for drive-by reading. This would include adapting the water meters with Itron ERTs. The current handheld readers are obsolete and past the period that they can be any longer maintained. Should a reader fail, it would be unable to be repaired. The budget includes labour to install the gas ERTs. Town staff would install the water ERTs.
- 14) Internet Tower - Most costs of installing the internet tower carried over from 2019

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		\$600,000			\$600,000	\$1,200,000
Grants and Reserves							
	Accumulated MSI Funds*	\$805,230	\$680,230	\$505,230	\$730,230	\$955,230	
	Accumulated FGTF*	\$202,425	\$252,425	\$102,425	\$152,425	\$202,425	
	Accumulated Reserve Funds*	\$713,577	\$893,577	\$1,073,577	\$1,173,577	\$1,403,577	
Total Cost of Capital Projects		\$420,000	\$750,000	\$40,000	\$75,000	\$600,000	\$1,885,000
Funding Source							
	From MSI	\$350,000	\$400,000			\$500,000	
	From FGTF		\$200,000			\$100,000	
	From Reserves	\$70,000	\$150,000	\$20,000	\$75,000		
	From Operating						
	From Other			\$20,000			
Unfunded		\$0	\$0	\$0	\$0	\$0	

***Notes and Assumptions**

MSI Capital adding \$250,000 per year decline of 10% per year
 FGTF adding \$50,000 per year
 Reserves adding \$250,000 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 funds allocated through 2018. The forecast estimates a decrease of MSI Capital funding of 10% year over year. 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 direction. The forecast has assumed that \$250,000 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 \$292,757 (version 1), 318,606 (version 2) or \$370,106 (version 3) being moved into restricted reserves.

TOWN OF SEDGEWICK BUDGET

2020

Reserves and Grants - Sources of Funding

Reserves	Jan. 1 2020 Amount	To be Used	Remaining	Policy 18-12
49700900 - General Operating	\$80,839	\$0	\$80,839	min \$75,000
49700901 - General Capital	\$128,194	\$24,500	\$103,694	min \$150,000
Internet Tower (carried over from 2019)		\$24,500		
49700995 - PW Equipment	\$163,616	\$123,600	\$40,016	
Single Axle Gravel Truck		\$35,000		
1 Ton Truck (carried over from 2019)		\$22,000		
Pickup Truck		\$17,000		
Utility Vehicle with attachments		\$37,600		
Double Axle Trailer		\$6,000		
Utility trailer with tanks & pumps		\$0		
Shipping Container		\$6,000		
49700997 - Rec Operating	\$200,983	\$132,565	\$68,418	min \$50,000
Temporary Rec Roof Repair		\$132,565		
49700998 - Rec Capital	\$129,435	\$85,435	\$44,000	min \$75,000
Temporary Rec Roof Repair		\$85,435		
49741991 - Water Infrastructure	\$199,027	\$79,500	\$119,527	no min
Replacement Hydrants (7)		\$20,000		
Water Meter System Update		\$50,000		
Water Meters (10)		\$5,000		
Well starter boxes		\$4,500		
49742901 - Sewer Infrastructure	\$120,830	\$15,000	\$105,830	no min
Sewer Camera and Locator		\$15,000		
49791900 - Natural Gas Infrastructure	\$153,523	\$60,000	\$93,523	no min
Natural Gas Meter System Update		\$60,000		
49791901 - Cemetery	\$21,989	\$0	\$21,989	min \$5000
Total Reserves	\$1,198,436	\$520,600	\$677,836	

Grants	Jan 1. 2020	Use in 2020	Allocated 2020	Ending 2020
497321000 - MSI Capital	\$607,976	\$311,400	\$258,654	\$555,230
Main Street/Sanitary Sewer		\$311,400		
49701005 - FGTF	\$102,425	\$0	\$50,000	\$152,425
Total Grants	\$710,401	\$311,400	\$308,654	\$707,655

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	(\$50,897)	(\$4,500)		\$80,839
49700901 General Capital	\$149,311	\$186,474	(\$219,741)	(\$0)	\$12,150	\$128,194
49700995 PW Equipment	\$73,863	\$39,753	(\$60,000)	(\$0)	\$110,000	\$163,616
49700997 Rec Operating	\$221,064	\$8,419	(\$28,500)	(\$0)		\$200,983
49700998 Rec Capital	\$105,435	\$12,000	(\$0)	(\$0)	\$12,000	\$129,435
49723901 Fire Capital	\$0	\$35,741	(\$0)	(\$0)		\$35,741
49741991 Water Infrastructure	\$261,853	\$112,963	(\$250,000)	(\$0)	\$74,211	\$199,027
49742901 Sewer Infrastructure	\$0	\$58,750	(\$0)	(\$0)	\$62,080	\$120,830
49791900 Natural Gas Capital Reserve	\$108,499	\$22,704	(\$0)	(\$0)	\$22,320	\$153,523
49791901 Cemetery	\$7,000	\$14,989	(\$0)	(\$0)		\$21,989
All Reserves	\$1,063,261	\$491,793	(\$609,138)	(\$4,500)	\$292,761	\$1,234,177

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)	(\$38,775)	\$38,775	\$0
49701006 MSI Operating Interest						\$0
Total MSI Op.						\$0
MSI Capital						
49732100 MSI Capital Grant	\$1,631,892	\$208,177	(\$1,258,123)			\$581,946
49701010 MSI Capital Interest		\$26,030				\$26,030
Total MSI Cap.						\$607,976
FGTF						
49701005 FGTF Grant	\$153,733	\$100,000	(\$153,733)			\$100,000
49701008 FGTF Interest		\$2,425				\$2,425
Total FGTF						\$102,425
All Grants	\$1,785,625	\$377,417	(\$1,452,641)			\$710,401