



Municipality of the District of Argyle

Item: Capital Investment Plan

Date: October 7, 2025

### *Vision statement*

*Argyle is the community of choice to invest, live and play.*

### *Mission statement*

*Argyle invests time & talent in growth opportunities in fishing, tourism, and renewable energy sectors.*

*Argyle provides affordable taxation while providing safe and healthy communities and strives to engage and inform our residents on decisions that affect them most.*

*Argyle provides high class, accessible recreational and cultural facilities and helps celebrate its unique heritage and culture and welcomes new residents to our region.*

### **CAO's Recommendation:**

Recommend that Council approve the 5-year Capital Investment Plan as presented, and that the master capital plan be reviewed at our November executive committee to ensure capital priorities reflect Council priorities

The 5-year plan is not a locked-in plan, the most important year of this report is year one, where it ties into our actual capital budget as approved by Council. Should the plan be approved by Council, it will then allow the CAO to submit the plan to the province. The 5-year plan changes each year, but is based on the master capital plan, which identifies end of life capital needs as well as Council wishes for their community.

### **Suggested motion:**

Move that the 5-year Capital Investment Plan for the years ending March 31, 2026 – 2030 be approved as presented.

Notice of motion – that Council be provided information in advance of a revised Master Capital Plan for the municipality for its November executive council.

### **Background:**

The 5-year Capital Investment Plan (CIP) is a provincial filing requirement. Municipal Affairs requires us to file this plan annually. The objective is to establish a long-term capital plan and to ensure that there are sufficient funds in reserves to accomplish these projects.

### **Required Engagement and Communication:**

No required engagement – the 5-year plan should be posted on our financial page of our web site for residents to review, along with projected financial information.

### **MGA considerations:**

Required through the Department of Municipal Affairs as part of the many financial filings.

### **Risk factors to consider:**

In any multiyear capital plan, the major areas of risk include:

Access to funding in support of our projects. While the 5-year plan does show some funding that is secured, the longer-term projects do not have secured funding. The plan is to indicate which projects will require additional funding to go ahead in the timeframe outlined. If a project is large in nature, it is often conditional on third party funding to become a reality. As an illustration, a new pathway is unlikely to get a green light unless funded, or unless Council determines it shall move forward despite the lack of funding.

Access to available funds – reserves. With any longer-term plan, expect the unexpected. These alterations could have an impact on the timing of the projects listed in the report.

As it stands today, there are sufficient funds to support these projects, as they are presented. Projected funds and debt as at March 31, 2030, are as follows (all figures are rounded):

Capital Reserve:	\$1,740,000
Canada Community Building Fund:	460,000
Operating Reserve	<u>3,300,000</u>
Total reserves	\$5,500,000

Debt outstanding	
Administrative building	\$ 646,900
Mariner's Center expansion	743,000

The figures are subject to change, and in some cases, considerable change, based on how projects will be funded. For instance, unfunded projects may in fact be funded by third parties, and larger projects, for instance the rink replacement project, may in fact be funded through

subsidiary debt. Since many of these projects still have uncertainties, the estimates on funding balance and financial needs from the reserves will vary.

It is important to reiterate, the further the projection time, the more difficult the estimate, increasing the risk that assumptions may not reflect actual results.

### **Financial considerations:**

The more projects that Council contemplates, the larger the financial investment, and a larger requirement to analyse fiscal capabilities of the organization. The investments and capital reserve balances are included above. Many of the costs of the projects in year one and two are supported by tender pricing, or Class A estimates (accurate within 10% of actual cost).

Projects 3-5 years are not supported by that level of accuracy, and subject to estimated order of magnitude costs. (accurate within 40% of actual, based primarily on historical costing experiences).

### **Alternatives to consider:**

Council should, at a future meeting, reconsider the order, priority and number of capital projects that are on the master capital file. This discussion shall ensure that the administration is planning and supporting the priorities that Council guides and endorses.

Projects shall be presented by staff for Council consideration for varying reasons. Staff is responsible for the proper maintenance, preventative or otherwise of existing capital assets. These reasons primarily include:

- Urgent or end of life capital replacement
- Confirmed funding on a project
- Investment required to pre-plan (move project to “shovel ready”)

New capital projects require the approval of Council prior to being added to the Master Capital Investment File. Council priorities will require staff to reassess the financial implications of such addition. Priorities of projects are always influenced by third party confirmation of funding.

### **Attachments:**

See 5-year capital investment plan attached to the agenda.

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