



# **2026 Capital Budget and 10-Year Capital Plan**

*November 18, 2025*

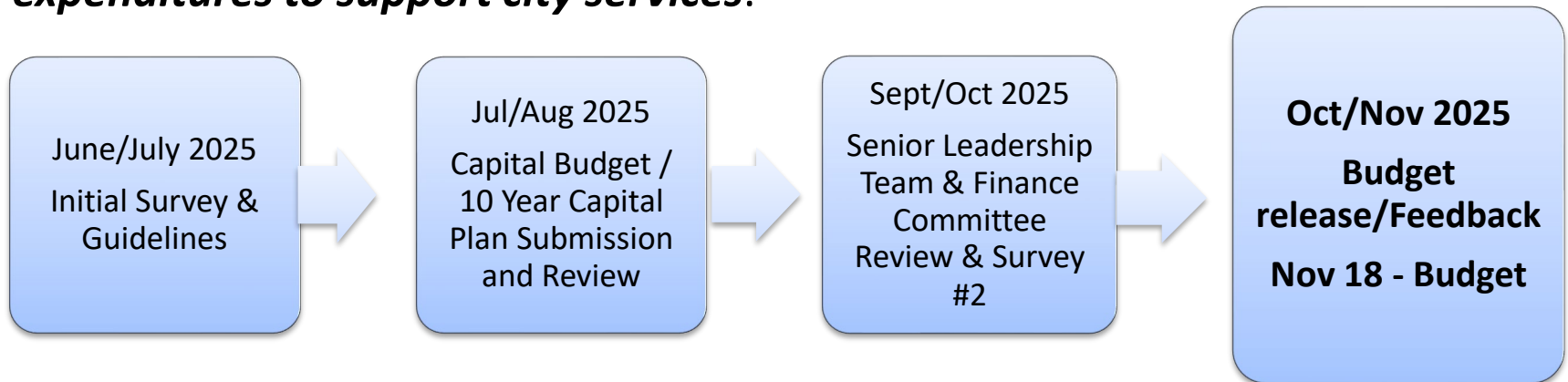
Brandon Ferguson  
Director of Finance/Treasurer



# Capital Budget & 10-Year Plan

## Process

The Capital budget is the City's plan for making *significant capital expenditures to support city services*.



- Alignment with the **Asset Management Planning**, Budget policy framework and **Council guidelines**
- Important to ensure that the recommended Capital Budget and 10-year Capital Plan is *manageable financially* as well as *operationally*.



# Capital Budget & 10-Year Plan

## Community Engagement



### 2026 Budget - Survey #1 *(May 14 to June 5)*

- Number of respondents: **781**
- Questions focusing on desired capital budget focus for consideration in Council budget guideline setting
- **Feedback:** Focus support on core infrastructure (Water, Wastewater, Transportation), and Asset renewal activities.

### 2026 Capital Budget & 10-Year Capital - Survey #2 *(Oct 6 to Nov 3)*

- Number of respondents: **449**
- Questions focusing on proposed 2026 Capital budget and 10-year Capital Plan feedback for consideration in Council decision making
- **Feedback:** Large focus on Roads, Policing, and Social Services.



# Capital Budget & 10-Year Plan

## Goals & Objectives

Source	Key Feedback and Objectives			
Council Guidelines <i>(June 23, 2025)</i>	Core Infrastructure	Prioritization based on <b>Risk and Asset Management data</b>	<b>Supported</b> growth projects evaluating ROI	Progressive Asset Management funding
Council / Strategic Priorities <i>(2024 Survey)</i>	Core Infrastructure	<i>Key projects;</i> Wastewater Treatment Plant, North East Industrial Park Expansion, Meyers Pier, Outdoor space expansion		
Community Engagement <i>(Survey #1)</i>	Core Infrastructure priorities; 1. Transportation (Roads, Bridge, etc.) 2. Water 3. Wastewater 4. Protective Services		Capital maintenance; <b>Very important</b> Growth; Somewhat important	Heritage, Museum, Cultural (Decrease)
Asset Management Plan	Core Infrastructure	Progressive Asset Management funding	<b>Risk</b> focus	Levels of service



# Capital Budget & 10-Year Plan

## Asset Management Plan - Risk

**Table 4-3 Risk Evaluation Matrix (\$M)**

PoF						Risk Exposure	CRV(\$)
5	\$0.16	\$5.26	\$122.01	\$10.66	\$51.70	Very High	\$167.89
4	\$0.75	\$10.82	\$138.53	\$43.42	\$105.53	High	\$638.10
3	\$0.72	\$10.63	\$302.67	\$141.44	\$192.70	Moderate	\$1,677.67
2	\$5.93	\$99.52	\$509.98	\$231.83	\$359.29	Low	\$1,019.80
1	\$0.76	\$59.01	\$607.70	\$311.12	\$247.03	Very Low	\$65.70
	1	2	3	4	5		<b>\$3,569.16</b>
	CoF						

- PoF – probability of failure
- CoF – consequence of failure
- CRV – current replacement value



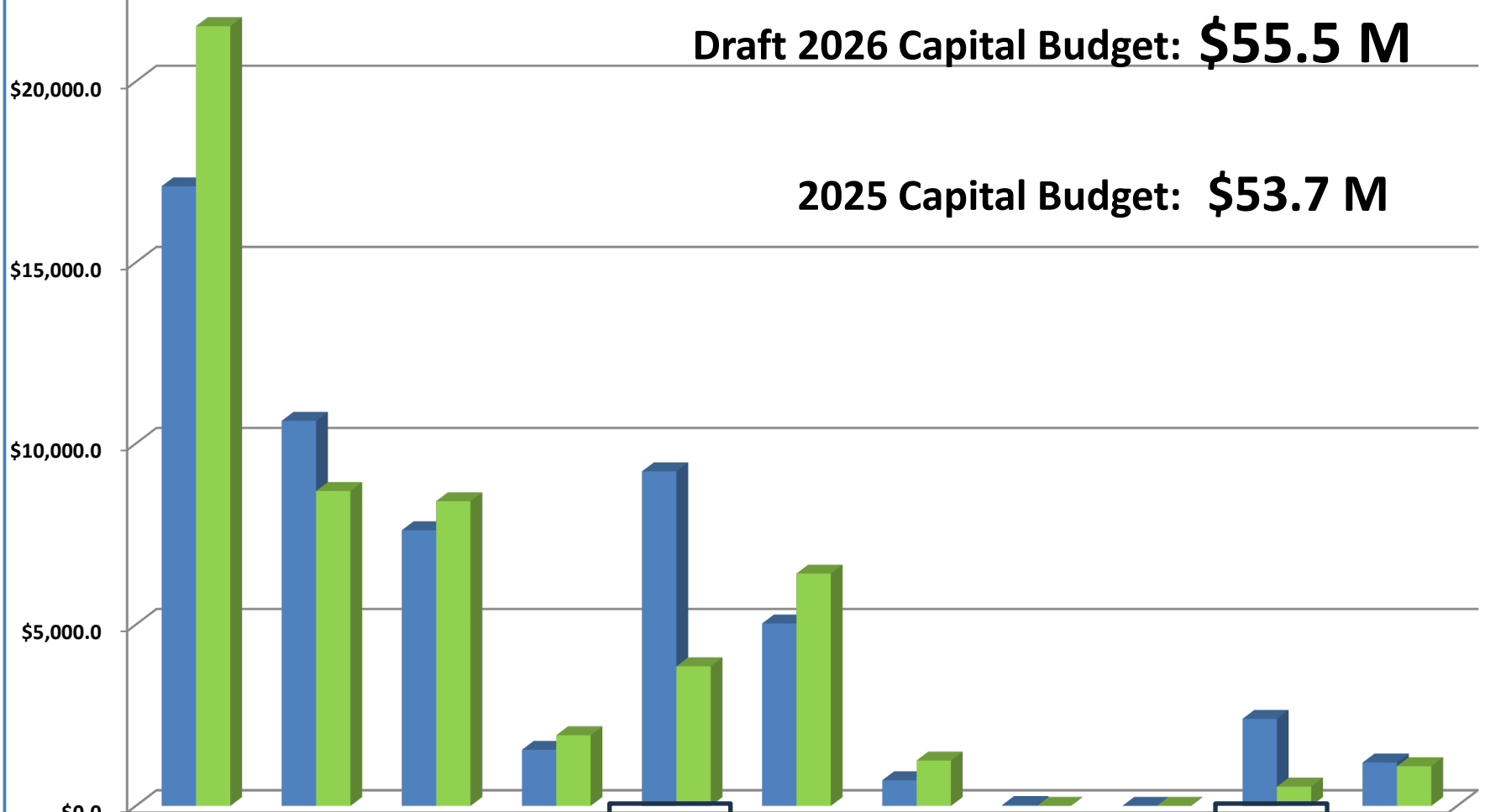
# 2026 Capital Budget



# 2026 Capital Budget

Draft 2026 Capital Budget: **\$55.5 M**

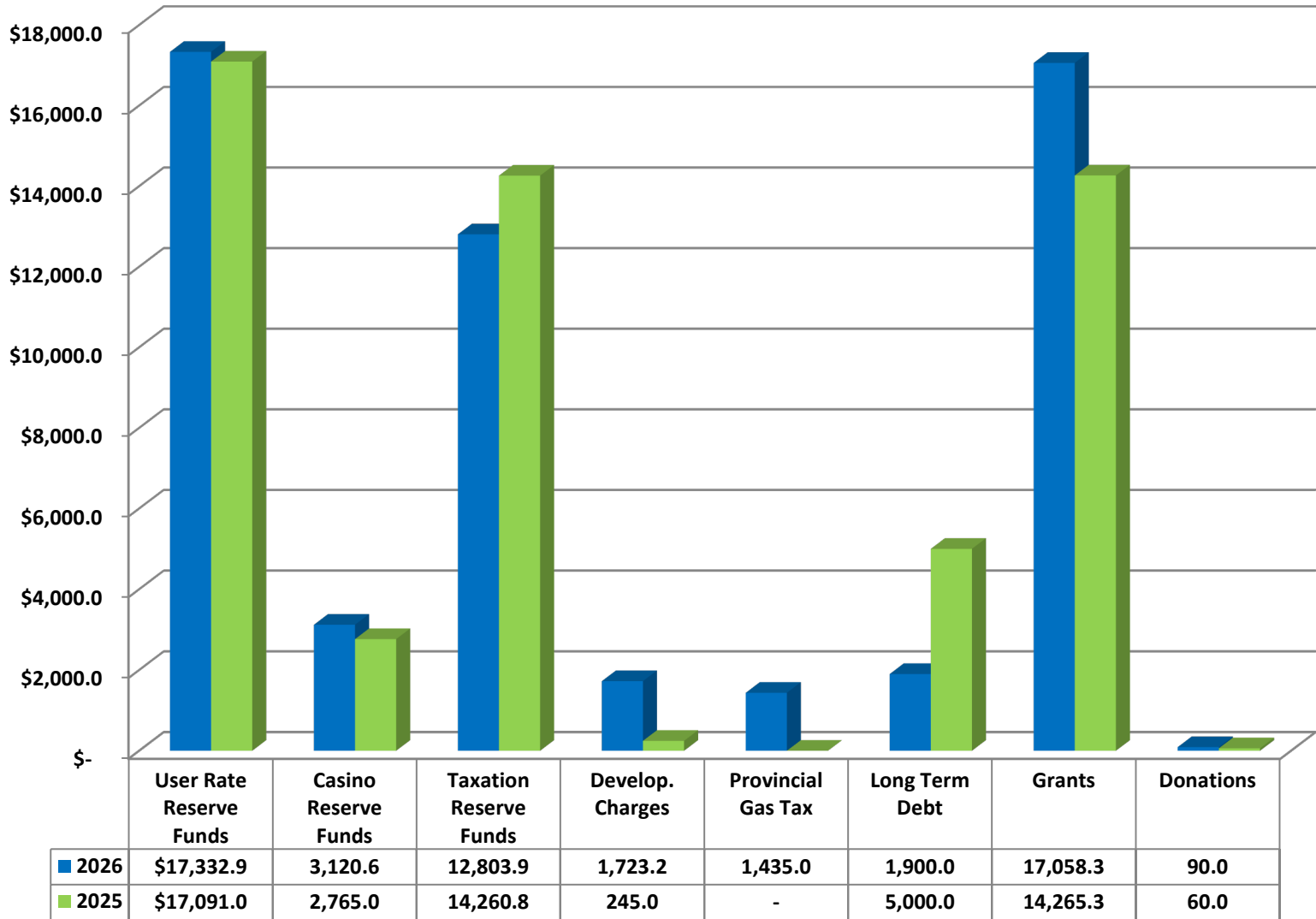
2025 Capital Budget: **\$53.7 M**



	Transport.	Water	Waste water	Storm water	Fleet & Equip	City Facilities	Info. Tech	Library	Parking	Fire	Police
■ 2026	\$17,102.0	\$10,626.0	\$7,604.5	\$1,545.5	\$9,231.0	\$5,030.0	\$705.0	\$25.0	\$-	\$2,400.0	\$1,194.9
■ 2025	\$21,522.0	\$8,687.0	\$8,404.0	\$1,947.0	\$3,848.4	\$6,406.0	\$1,250.0	\$-	\$-	\$530.0	\$1,092.7



# 2026 Capital Budget Financing





# 2026 Capital Budget Financing

## User Rate Funded Reserve Funds

**Reserve funds** are an accumulation of resources set aside as savings for future needs.

- **Water, Wastewater and Parking** operations are fully funded by User Fees. Rates are developed to ensure long term financial sustainability and adequate revenue to cover operations and long-term capital plan
- Funding models ensure that rates provide adequate revenue to address future capital needs as they occur

Service	Budgeted Transfer 2025	Applied to 2026 Capital
Water	\$9,398.5	\$ 10,474.8
Wastewater	7,643.2	6,778.1
Parking	3.0	80.0
<b>Total Capital Financed by User Fees</b>	<b>\$ 17,044.7</b>	<b>\$ 17,332.9</b>



# 2026 Capital Budget Financing

## Asset Management Reserve Fund

- Primary source of taxation funding for capital program

Asset Management Reserve Fund	2026 Budget
Projected Balance - January 1, 2026	\$ 26,435.7
Contribution to Asset Management RF (2025)	14,716.4
<i>Projected interest allocation</i>	669.4
<i>Proposed 2026 project funding – Asset Management</i>	(11,114.6)
<b>2026 Preliminary Balance</b>	<b>\$30,706.9</b>
<i>Additional Contributions to be reviewed (2026 Operating Budget)</i>	
<i>Operating impacts – 2025 contributed capital</i>	71.0
<i>Operating impacts – 2026 proposed capital budget*</i>	261.0
<i>Asset Management Plan recommendations</i>	2,708.6
<b>Total Additional Contributions (2.2% of 2025 Tax Levy)</b>	<b>\$3,040.6</b>



# 2026 Capital Budget Financing

## OLG (Casino) Reserve Fund

- Proceeds received are used in the Capital Budget in the year following receipt of the funds.
- The city’s share of the Casino revenue is 5.25% of electronic games, 4% of table proceeds, and 4% of Sportsbook revenue

Project	OLG Revenue - Area	Amount
Various Combined and Transportation	Infrastructure	\$ 1,040.0
Various Facilities and Parks	Infrastructure	1,200.0
1.080 – Network & Server Maintenance	Infrastructure	250.0
1.009 – Black Diamond Rd Servicing	Economic Development	250.0
1.023 – Deerfield Walkway to Cloverleaf Dr	Development	200.0
1.088 – Police Fleet (2) Replacement	Vehicle / Equipment	180.6
<b>Total Casino Funding utilized – 2026</b>		<b>\$ 3,120.6</b>
<i>Total Casino balance – 2025 (projected)</i>		<i>\$ 4,608.7</i>



# 2026 Capital Budget Financing

## Grant Funding

Program	Confirmed / Contingent	Preliminary Opening Balance (\$000)	2026 Funding (\$ 000)	Applied to Capital 2026 (\$000)	Balance (\$000)
Ontario Community Infrastructure Funding	Confirmed	6,924.6	6,385.3	(6,095.0)	7,214.9
Canada Community Building Fund	Confirmed	2,102.0	3,660.4	(3,750.0)	2,012.4
Provincial Gas Tax	Pending	2,684.2	-	(1,435.0)	1,249.2
ICIP - Transit	Confirmed	N/A	623.3	(623.3)	-
Active Transportation	Pending	N/A	3,780.0	(3,780.0)	-
Rural Transit Solution	Pending	N/A	2,800.0	(2,800.0)	-
Other	Confirmed	N/A	10.0	(10.0)	-
<b>Total</b>		<b>11,710.8</b>	<b>17,259.0</b>	<b>(18,493.3)</b>	<b>10,476.5</b>



# 2026 Capital Budget Financing

Debt Financed Projects	Status	(\$ M)
Avonlough Pumpstation / Bridge St W	Ongoing	13.21
Agricultural Society Facility	Ongoing	12.49
Wastewater Treatment Upgrades	Ongoing	9.45
Expansions: NE Industrial, Farnham, Fairground	Ongoing	8.02
Hillcrest redevelopment	Ongoing	5.00
Fire Vehicles (3)	Ongoing	3.00
Fire Pumpers (2)	2026 Proposed	1.90
<b>Total Approved &amp; Proposed (2026), but not Issued</b>		<b>\$53.07</b>

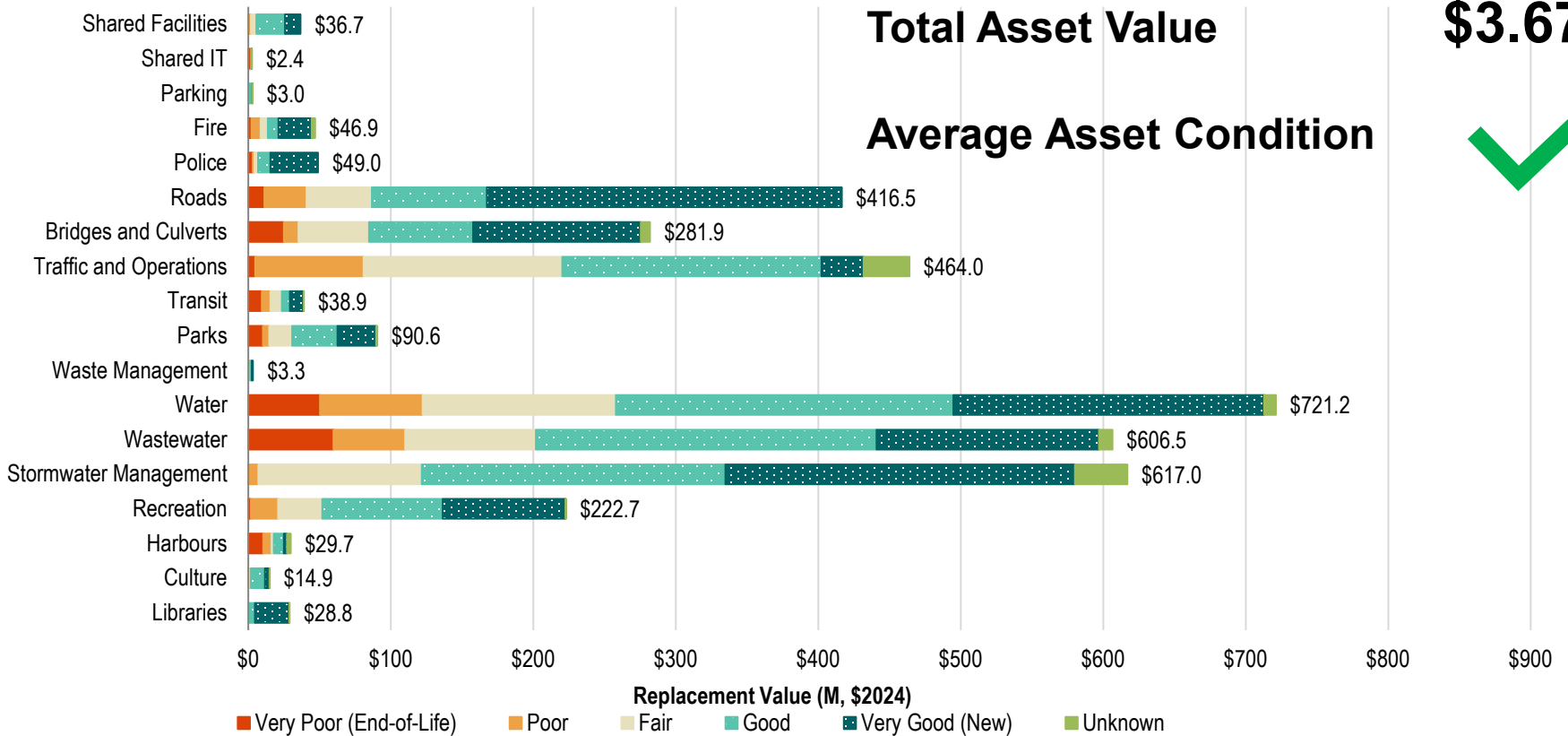
Funding Sources	Development Charges	User Rate Funded	Tax Funded	Total
<b>Total Debt</b>	<b>\$11.42</b>	<b>\$11.27</b>	<b>\$30.38</b>	<b>\$53.07</b>



# 10-Year Capital Plan



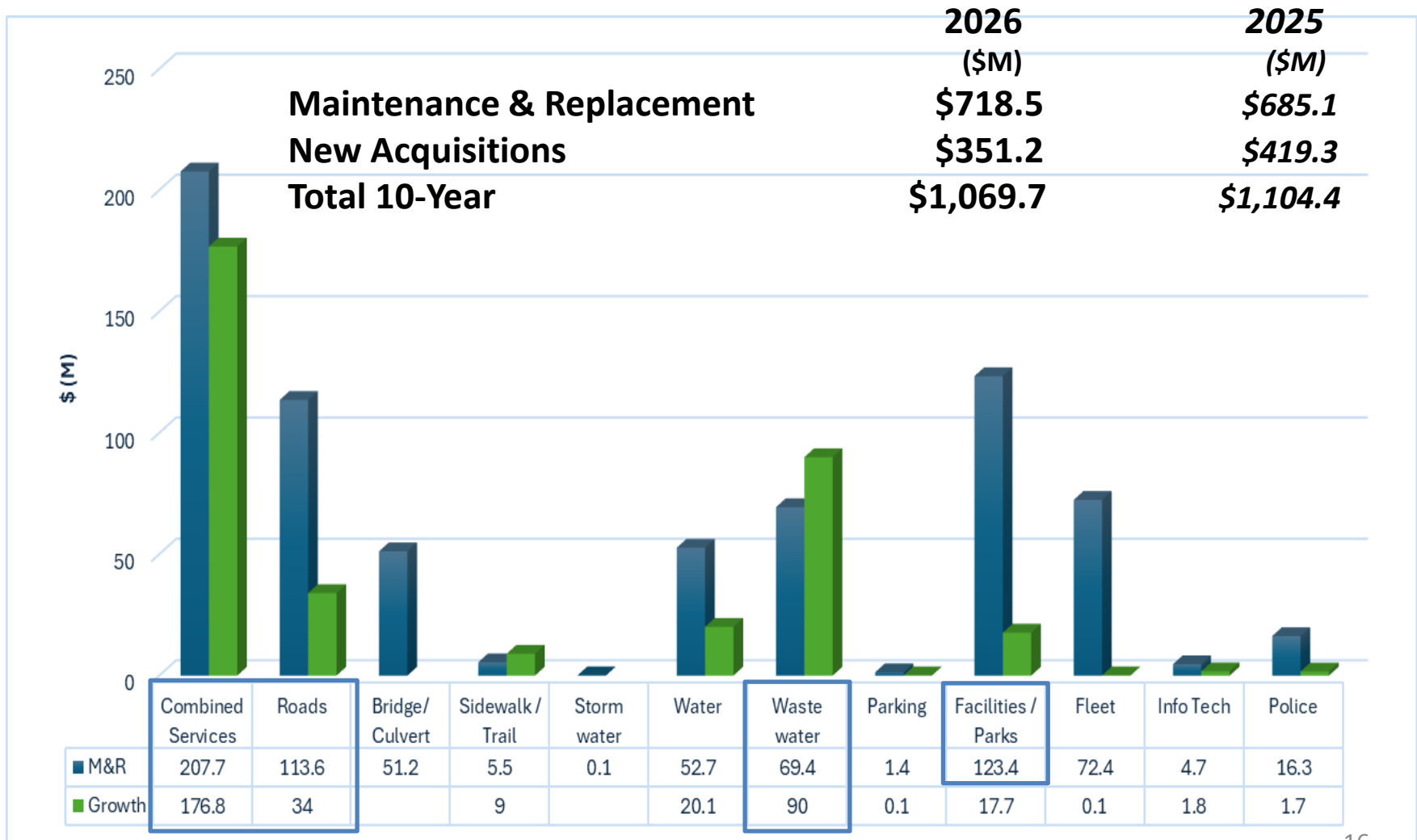
# Asset Management Plan



	2020	2024	2025
Total Asset Valuation	\$2.3B	\$3.36B	\$3.67B
Annual Capital Renewal Infrastructure Gap	\$29.5M	\$15.9M	\$0.02M
Annual Capital Growth Infrastructure Gap	\$25.7M	\$8.5M	\$27.83M



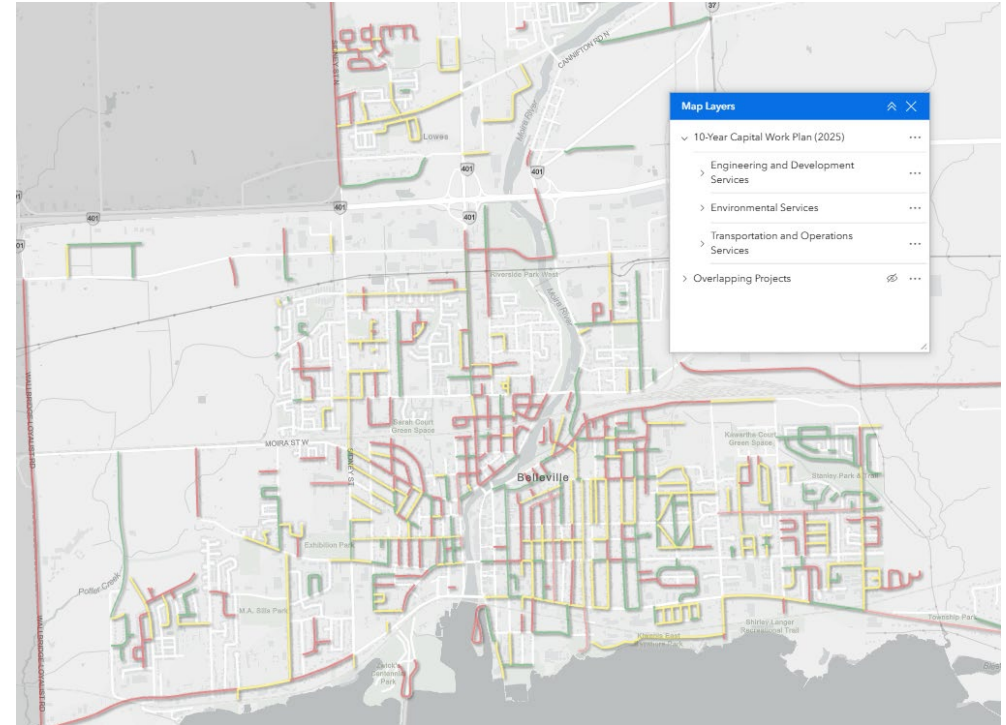
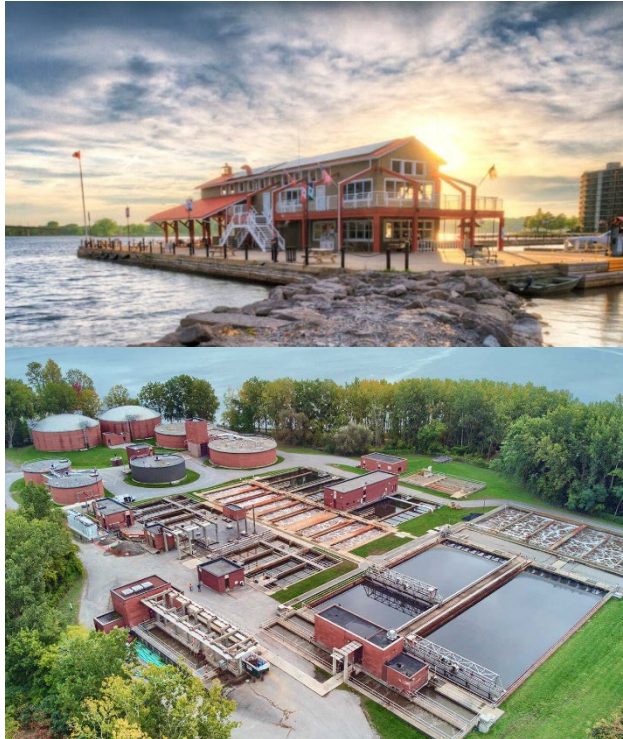
# 10-Year Capital Plan Projects





# 10-Year Capital Plan Projects

## Asset Maintenance & Replacement



- Several **major reconstructions** are proposed across the City including Church St, Pinnacle St, Victoria Ave, Old Hwy #2, and Phillipston Rd.
- **Other significant investments** in the renewal portfolio include Meyers pier, Wastewater Treatment plant, and Fire Hall #2 renewal and the continuation and escalation of Road Resurfacing and Underground relining programs



# 10-Year Capital Plan Projects

## New Acquisition

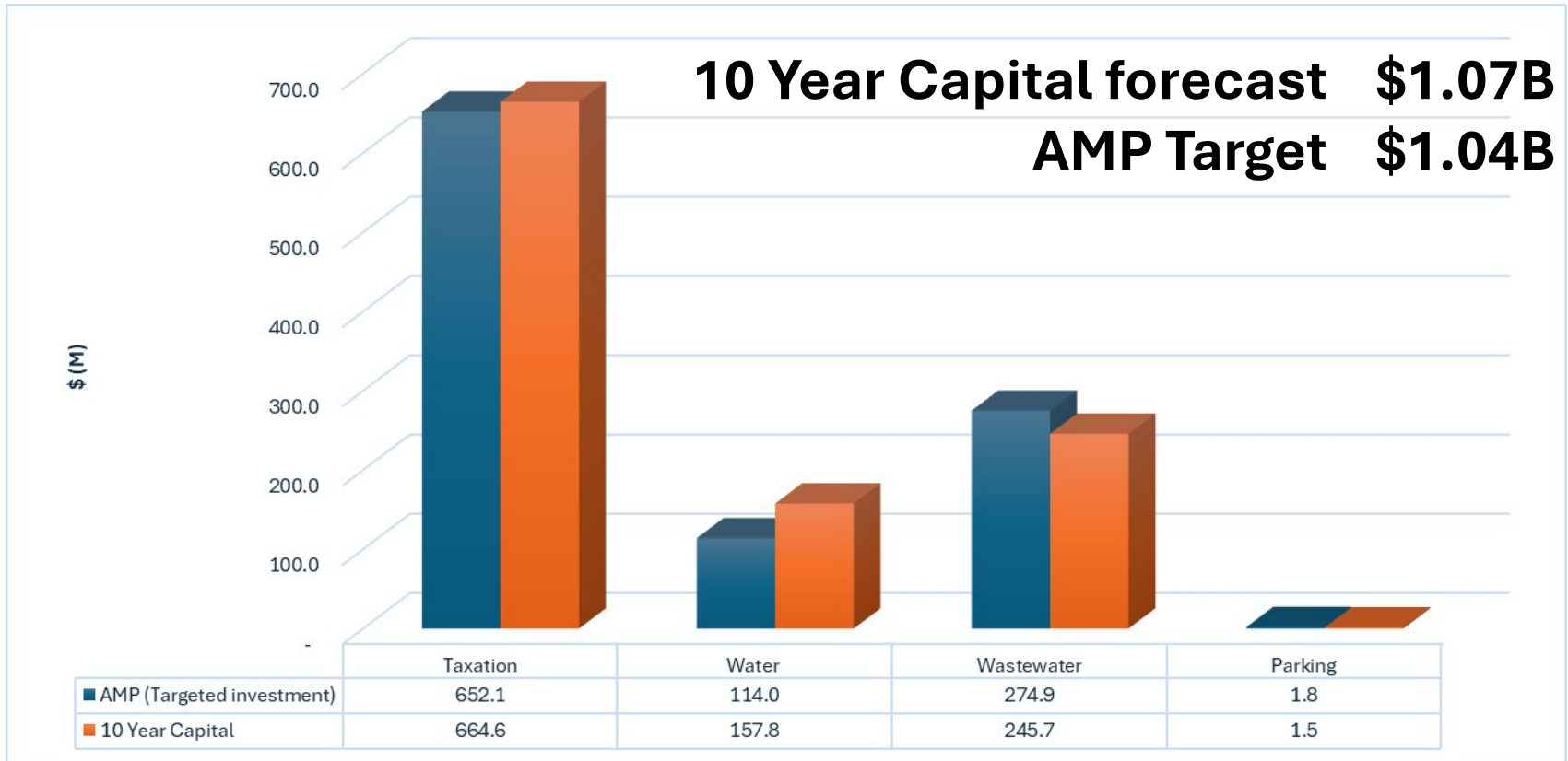
Project	Development area	Supporting study
Wastewater Treatment Plant expansion	Residential / Industrial	Wet Weather master plan DCBS <sup>1</sup>
Avonlough Road redevelopment	Residential housing	Loyalist Secondary Plan DCBS <sup>1</sup>
Tracey / Fahey Oversizing	Residential housing	Bell Blvd Corridor, DCBS <sup>1</sup>
North East Industrial Expansion	Industrial Development	Strategic plan Employment lands strategy



<sup>1</sup>DCBS – Development Charge Background Study



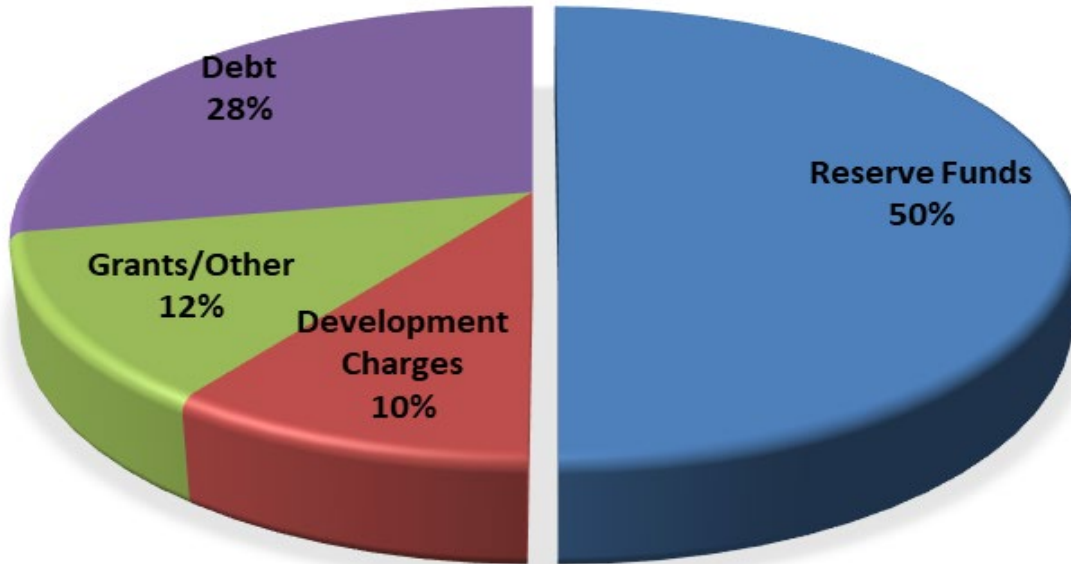
# 10-Year Capital Plan Targets



- **Exceeding Asset Management Plan (AMP) targeted investments by \$26.8M**
- **Key focus on risk mitigation through Asset Maintenance & Replacement**
- **Reserve Fund Target Performance (Reserve Fund Policy)**
  - Taxation, Water and Wastewater reaching 100% by 2035
  - Parking Reserve Fund 48% by 2035



# 10-Year Capital Plan Financing



Funding Source (\$M)	2025	2024
Reserve Funds	\$503.2	\$553.9
Development Charges	138.2	108.5
Grants/Other	135.1	134.5
Debt	293.2	307.5
<b>Total</b>	<b>\$1,069.7</b>	<b>\$1,104.4</b>

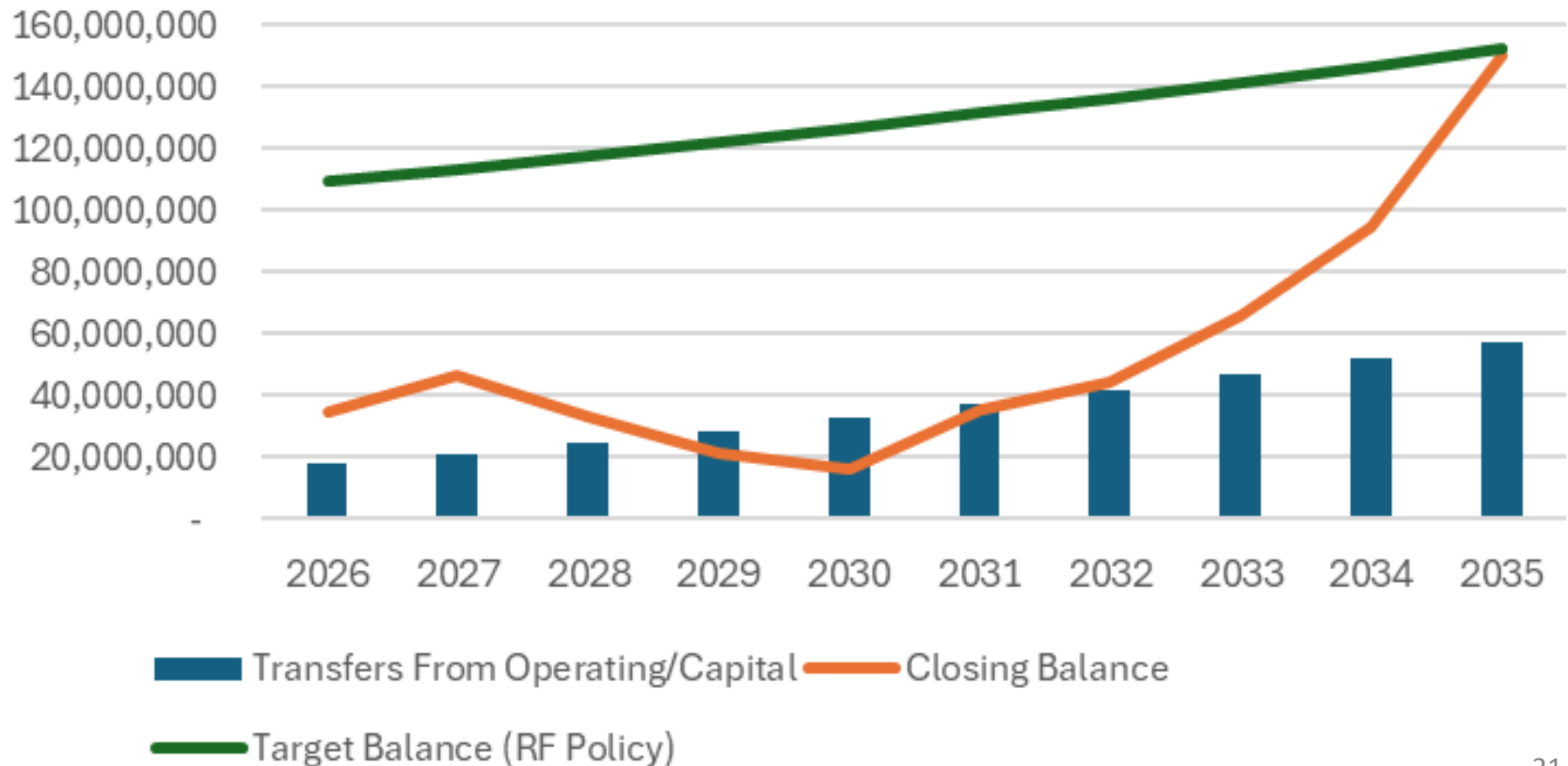


Reserve Fund Breakdown	(\$M)
Taxation	\$ 307.5
Water	102.3
Wastewater	91.9
Parking	1.5
<b>Total</b>	<b>\$ 503.2</b>



# 10-Year Capital Plan Financing

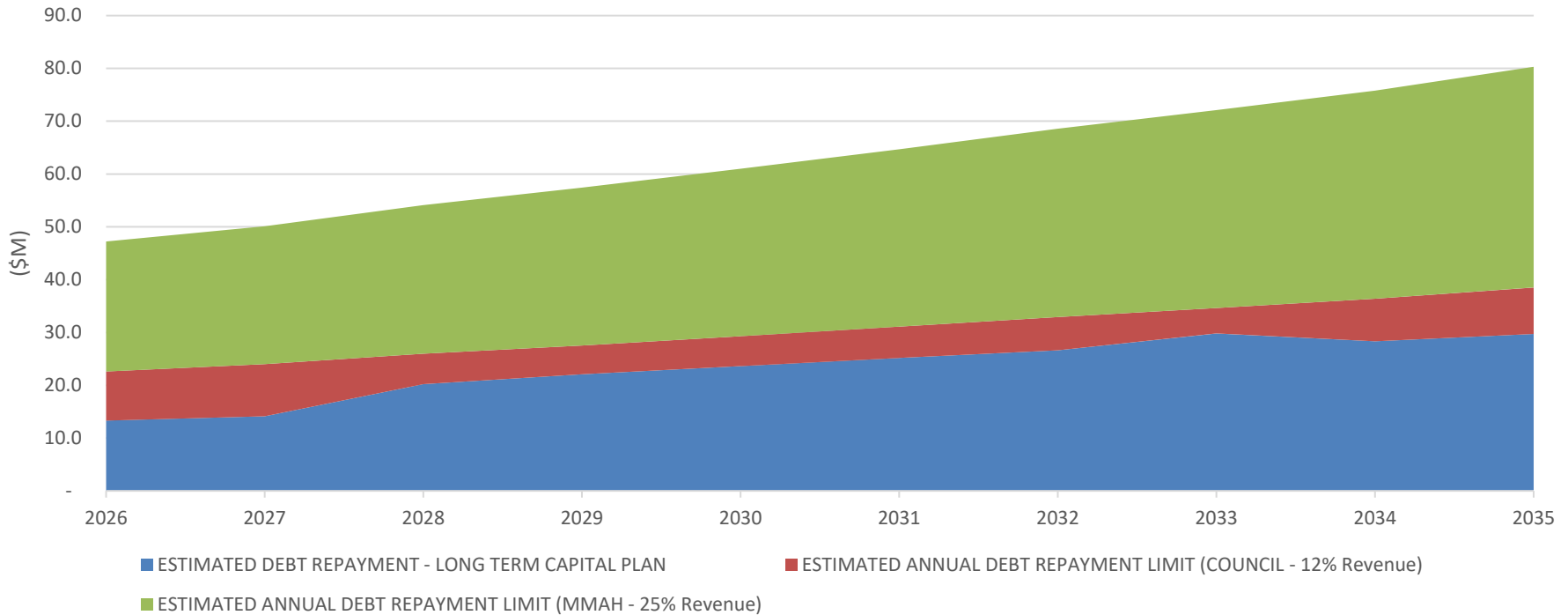
## Asset Management Reserve Fund (Tax Supported)





# 10-Year Capital Plan Financing

## Debt Financing



	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total Debt Payments (\$M)	13.29	14.12	20.18	22.1	23.62	25.24	26.57	29.82	28.34	29.68
Percentage of Operating Revenue (Debt service ratio)	7.05%	7.05%	9.33%	9.63%	9.68%	9.75%	9.68%	10.34%	9.35%	9.25%



# Levels of Service

## City of Belleville Performance Dashboards



### Asset Management Levels of Service

Measures that define the performance and quality of core assets, showing how the City manages infrastructure to balance cost, risk, and service outcomes.

### Examples;

- Water - % of water assets with very-high risk exposure
- Stormwater - Percentage of properties in municipality resilient to a 100-year storm
- Roads - For paved roads, the average Pavement Condition Index (PCI) value
- Fire - % of Urban responses within 80 Seconds for time out the door response time
- Information Technology - IT service availability (network uptime)
- Parks - Percentage of Parks assets with very high or high-risk exposure rating
- Streetlights - Percentage of streetlights with LED fixtures
- Transit - Percentage of buses past their expected useful life



# Next Steps

- **Asset Management - Continual improvement process**
  - Asset Management structure, process and data
  - Asset Management Software implementation
  - Annual Reporting, 5 Year update
- **Continual Council and public engagement process**
  - Key Performance Indicators (KPI) Dashboard
- **Capital Funding**
  - Enhanced reserve provisions; Tax and Wastewater
  - Continued advocacy and exploration into funding opportunities
  - User Rate forecasts and recommendations will continue to be updated and provided annually



# **2026 Capital Budget and 10-Year Capital Plan**