

WORKSHOP 1:

LONG-RANGE FINANCIAL PLANNING



Tuesday, September 19, 2017

HEMSON
Consulting Ltd.

MFOA
MUNICIPAL FINANCE
OFFICERS' ASSOCIATION
OF ONTARIO

Overview of Today's Session

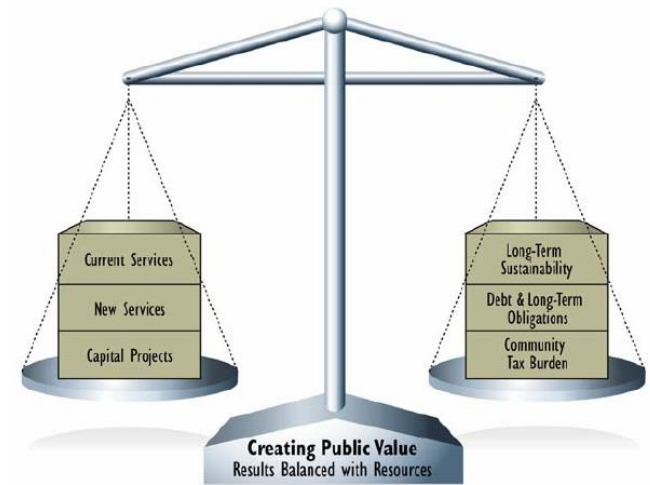
Timeframe	Topic/Discussion
20 min	<ul style="list-style-type: none"> What is long-range financial planning and why is it important?
10 min small group discussion 10 min review	<ul style="list-style-type: none"> Small Group Discussion #1 – Why Might Your Municipality Undertake a long-range financial plan?
15 min	<ul style="list-style-type: none"> Long-Range Financial Plan Study Process
10 min small group discussion 10 min review	<ul style="list-style-type: none"> Small Group Discussion #2 – How does your municipal do long range planning? How can we address the infrastructure gap through funding strategies?
30 min	<ul style="list-style-type: none"> Common Findings
20 min	<ul style="list-style-type: none"> Review of Case Studies
10 min	<ul style="list-style-type: none"> Questions about Case Studies?
20 min	<ul style="list-style-type: none"> Interactive Discussion of 5 Critical Fiscal Measures
10 min	<ul style="list-style-type: none"> Key Takeaways
10 min	<ul style="list-style-type: none"> Final discussion and questions

What is long-range financial planning and why is it important?

Long-Range Financial Planning

GFOA:

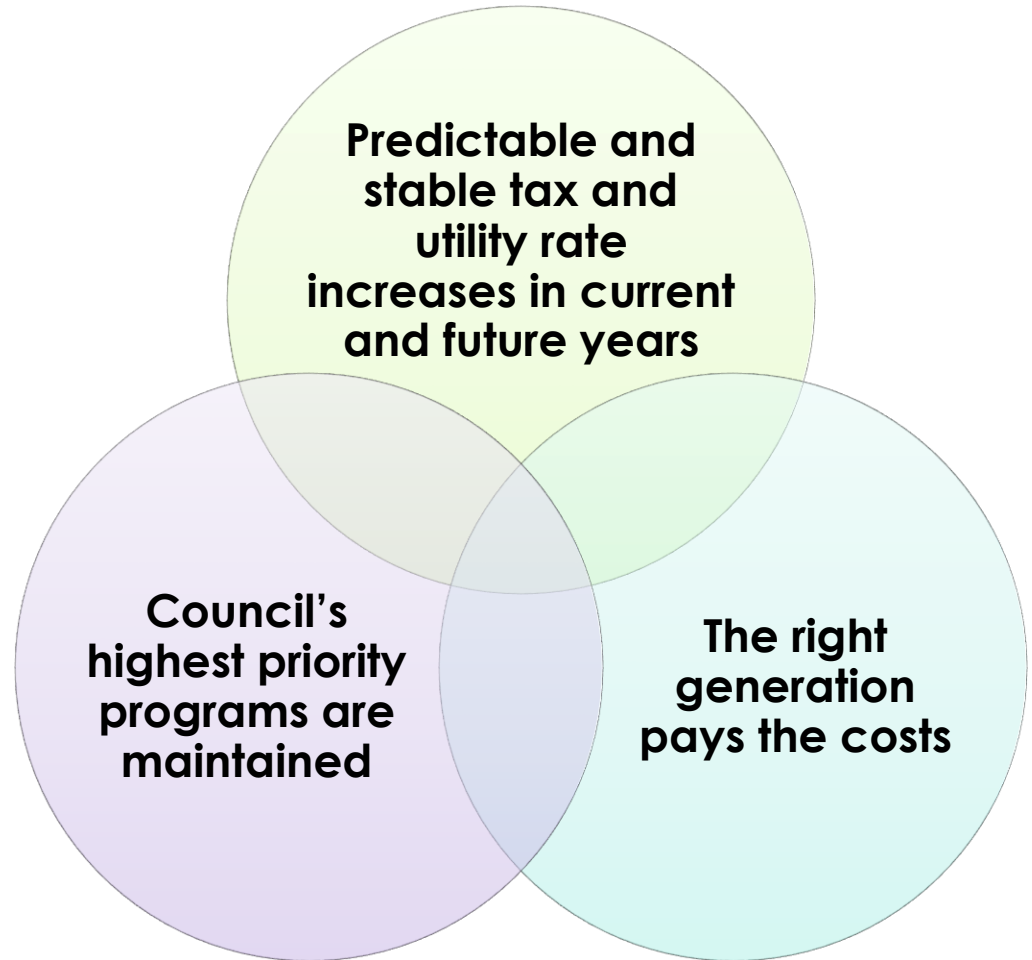
“Long-range financial planning (LRFP) is used to identify future financial challenges and opportunities through financial forecasting and analysis, and then, based on that information, to devise strategies to achieve financial sustainability.”



What is Financial Sustainability?

Financial sustainability is when planned service and infrastructure levels can be met without resorting to unplanned increases in rates or disruptive cuts to services.

Financial sustainability is achieved when the following conditions are met:



How can a LRFP ensure financial sustainability?

- **Identify and quantify impact of influencing factors:**
 - Macro economic environment
 - Demographics – Growth rates, population profile etc.
 - Assessment
- **Identify potential funding gaps** to inform the development of financial strategies and actions
- Provide **opportunities to manage costs and cash flow** considerations over a longer term horizon
- Support deliberations by Council to **prioritize financing and resource allocation decisions and service level preferences**

Why Undertake a LRFP?

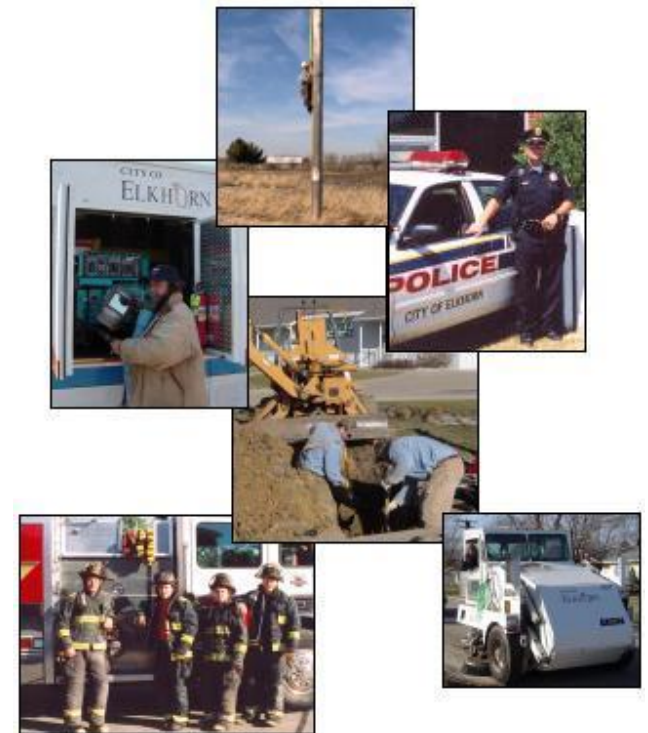
Reasons for Governments to do Long-Term Planning

- Impending financial crisis
- Unique economic or funding challenges
- Improve bond ratings and lower the cost of borrowing
- Incorporate a longer-term, more strategic perspective into planning and budgeting
- Better communicate financial information to the public
- Determine service levels and priorities for the future

Source: GFOA

Goals and Objectives

- Understand current conditions
- Measure financial health
- Assess impact of growth and development
- Help decision-making
 - Model
 - Policies
 - Set and monitor financial targets



Key LRFP Deliverables

Long-Range Financial Plan

- Written document
- Released to public



Fiscal Impact Model

- Excel or software based
- Internal use

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
All City Services											
Revenue											
Personnel	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000	1,450,000	1,500,000	1,550,000	1,600,000
Equipment	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000	1,450,000	1,500,000
Information Systems	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000	1,450,000	1,500,000
Other Revenues	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000	1,450,000	1,500,000
Expenditures											
Personnel	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000	1,450,000	1,500,000	1,550,000	1,600,000
Equipment	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000	1,450,000	1,500,000
Information Systems	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000	1,450,000	1,500,000
Other Revenues	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000	1,450,000	1,500,000

The LTFP is Made Up of Two Key Deliverables

LTFP Report

- Focus on financial viability, management, flexibility and sustainability
- Identification of measurable goals, targets, and objectives
- Overview of financial history and current status
- Overview of 10-year forecast
- Identification of risks, challenges and opportunities
- Key directions and policy recommendations

Fiscal Impact Model

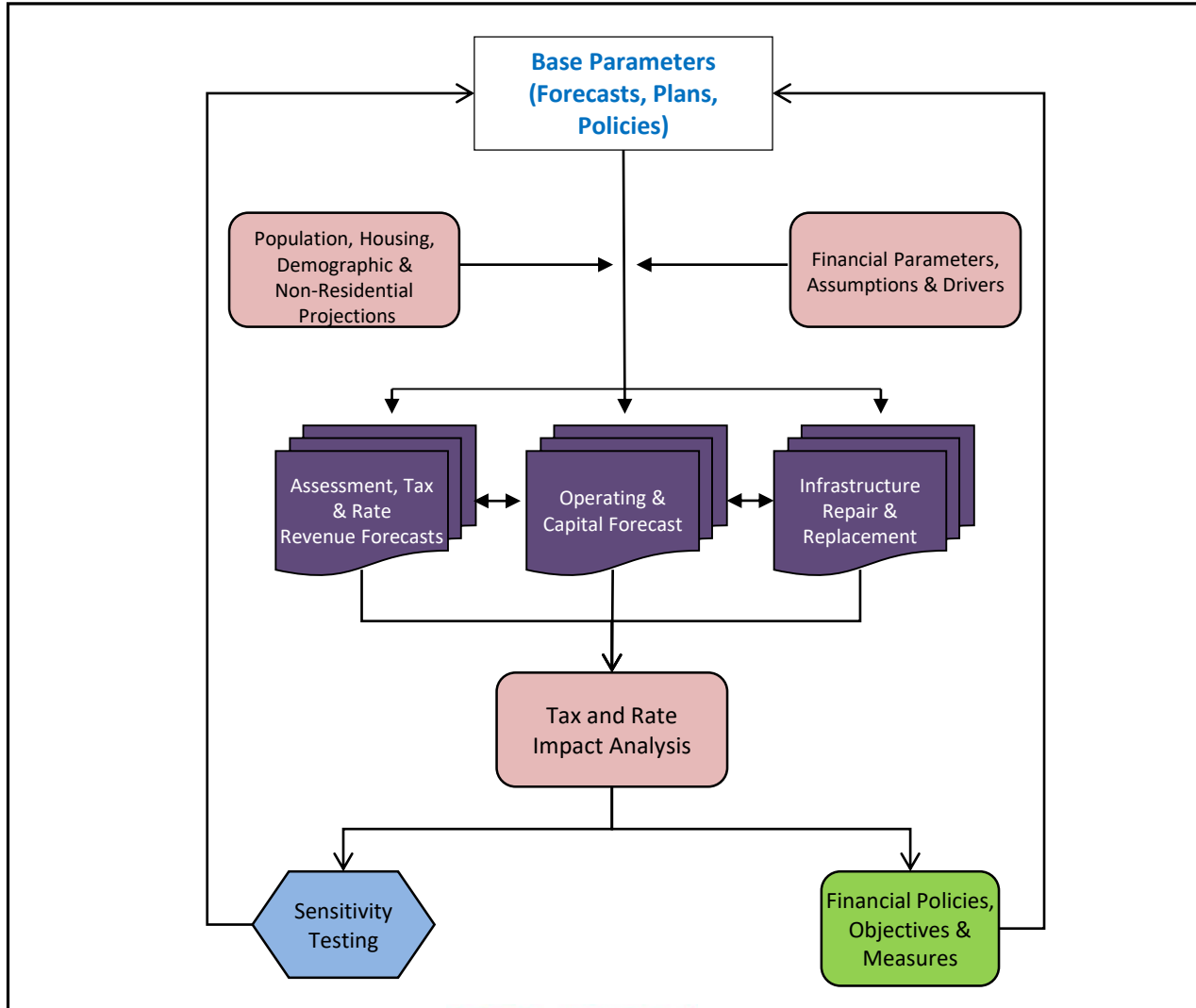
- Tool for staff to:
 - Assess the current financial position of the municipality
 - Forecast the future financial position over the next 10 years
 - Identify overall capital and operating needs
 - Assist in the annual budget process
 - Undertake sensitivity testing; and
 - Provide information and data for updates to the LTFP

Long-Range Financial Planning

Long-Range Financial Plans:

- Present a **framework and tools** that can be used to guide Council and Administration in sound financial decision making and sustainability planning.
- **Identify current and future resource requirements** necessary to achieve the municipality's strategic goals
- **Living documents and policies** that can be reviewed and updated regularly, based on significant financial changes, economic challenges, and/or revisions to acts or standards

Fiscal Impact Model Structure



Sample Parameters

- Asset Management Plans
- Condition assessments
- Master Plans
- Official Plans
- Servicing strategies
- Financial policy documents
- Council strategic plans

What Will The Analysis Tell You?

- **Key fiscal indicators:**
 - Tax levy gaps and tax rate impacts
 - Utility rate impacts
 - Debt capacity
 - Reserve and reserve funds
 - Performance measures
 - Ability to add many more
- **Not just numbers:**
 - Financial policies, practices, strategies
 - Fiscal sustainability plan
 - Council objectives



Group Discussion #1

Small Group Discussion #1: Why Might Your Municipality Undertake a LRFP?

Reason	Yes	No	Somewhat
Financial crisis			
Growth management			
External (statutory; improve bond ratings & lower cost of borrowing)			
Strategic (longer-term perspective for planning & budgeting)			
Transparency (better communicate financial information)			
Staffing & service delivery (determine future service levels)			

Reasons for a LRF:

Example New Tecumseth

Reason	Yes	Somewhat	No	New Tecumseth Issues
Growth management	★			<ul style="list-style-type: none"> • Upfront infrastructure needs • Location & staging of development • DC exemptions
Strategic	★			<ul style="list-style-type: none"> • longer-term perspective for planning and budgeting
Transparency	★			<ul style="list-style-type: none"> • Better communicate financial information
Financial pressure		★		<ul style="list-style-type: none"> • Extensive road infrastructure needs • Regional WWTP • Pressure to provide recreation and cultural facilities
External (statutory; lower cost of borrowing)			★	

The Study Process

Setting the Parameters of the Model

Structure	<ul style="list-style-type: none">- Excel based vs. customized software- Frequency of updates
Scope	<ul style="list-style-type: none">- Municipal vs. sub-municipal wide geographic focus- Number of services to be examined
Outputs	<ul style="list-style-type: none">- Match those shown in budgets- Measure key financial indicators- Results can be expressed as cost of service per household or per capita and could distinguish between growth and existing- Identify capital and operating shortfalls- Information on asset management requirements, capital development program, reserve fund adequacy, growth and assessment forecasts, debt load/capacity
Scenario testing	<ul style="list-style-type: none">- Growth rates- Financial parameters

Who's Involved and Who Does What

Stakeholders



Roles & Responsibilities



Initial Steps

1. Review servicing plans, financial reports and planning documents

- Request additional data and reports not readily available

2. Meet with department heads

- Identify focus areas and anticipated changes to current service delivery arrangement

3. Establish key principles, indicators and targets

- Fiscal and other (e.g. growth targets)



Overview of Initial Steps

- ✓ **Review reserve statements, financial policies, and reports**
 - Request additional data where necessary

- ✓ **Hold meetings with key staff**
 - Finance and then other departments
 - Identify focus areas and any anticipated changes

- ✓ **Identify best practices from other municipalities**

- ✓ **Identify items for further analysis and testing**



Important Existing Financial Plans and Policies

- Budgets and financial statements
- Guidelines for use of reserves and reserve funds
- Service pricing guidelines
- Sustainability Plan
- Current operating and capital financial policy
- Department-specific plans and policies
- Development charges study
- Rate studies
- Growth and development forecasts
- Other?

Consultation Process

Staff



Council



Stakeholders

- Important to have staff involved throughout the process
- Key staff include: finance and planning

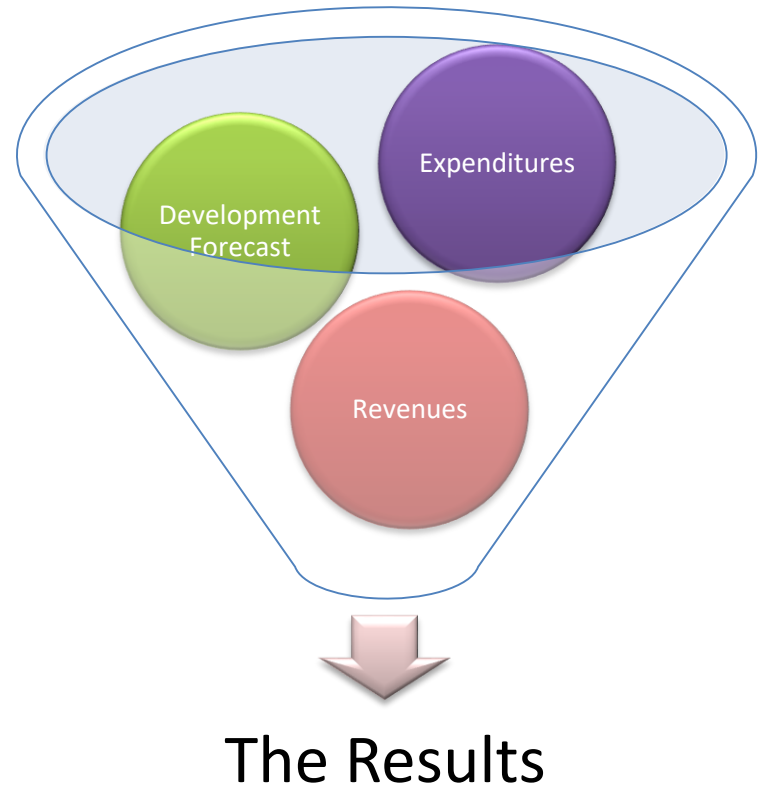
- Information session with Council is helpful – what can the model do?
- Can inform decisions

- LRFP may be used to analyze development scenarios
- Analysis can help provide transparency

Key Inputs for a Long-Range Financial Plan

The Outputs are Only as Good as the Inputs

- Input data is key
- Building a comprehensive, dynamic and sustainable model
- Results:
 - Recognizable
 - Meaningful
 - Useful
 - Presentable



Information Requirements

Document	Notes	
Financial	Prior Actuals (2014-2015)	2016 data finalized in 2017
	Operating and Capital Budget	Finalized in December 2015
	Asset Management Data	Discuss level of detail
	Financial Policies	
	Financial Statements	
	Reserve Contributions	
	Reserve Continuity Schedule	
	Debt Guidelines/Schedules	
	Assessment Data	

Revenues

- **Assessment**
 - Property taxes
- **User fees**
 - Water, wastewater, recreation fees etc.
- **Funding from other levels of government**
 - Gas tax, anticipated grants etc.
- **Investments**
 - Land
- **Relationship to reserves**
 - Transfers to/from



Expenditures

- **Capital**

- New assets and assumed assets
- Replacements of assets

- **Operating**

- Salaries, wages and benefits
- Contracts and material
- Utilities and fuel
- Insurance
- Professional fees
- Others?



Expenditures Asset Information

Can generally be split into two categories:

1. Existing assets

- Useful life and replacement & rehabilitation cost provisions
- “Minor” repair accounts

2. Future assets (and their annual replacement rehabilitation provision)

- Municipal-funded facilities
- Contributed capital



Information Requirements Cont'd

Department	Required Information	Comments
<ul style="list-style-type: none">• Planning	<ul style="list-style-type: none">• Growth Forecast	
<ul style="list-style-type: none">• IT	<ul style="list-style-type: none">• Implementation requirements	
<ul style="list-style-type: none">• Other• Departments	<ul style="list-style-type: none">• Key drivers, servicing studies, master plans etc.	

Development Forecast

- Population, employment and household growth over an identified period
 - Typical based on a 10-year or longer planning period (build-out)
- Ability to incorporate sensitivity testing
 - Low, medium and high growth scenarios
 - Scenarios need to be clearly identified

Development Forecast

- Growth forecast is used to inform:
 - Assessment forecast (new dwelling units and non-residential development)
 - DC revenue

Long Range Financial Plan			
Population, Household & Employment Forecast Summary			
	DC	Model Base Year	
	2016	2017	2018
Census Population	128,377	129,447	131,607
Annual Growth	1,297	1,070	2,161
Volume Driver (% Change)		0.83%	1.67%
Total Occupied Households	43,529	44,041	44,929
Annual Growth	512	512	888
Volume Driver (% Change)		1.18%	2.02%
Place of Work Employment	40,953	41,567	42,257
Annual Growth	615	614	690
Volume Driver (% Change)		1.50%	1.66%
Population + Employment	169,330	171,014	173,865
Annual Growth	1,912	1,683	2,851
Volume Driver (% Change)		0.99%	1.67%

The Model

- 10-year demographic, assessment and utility customer forecast
- Capital Plan
 - Growth-related projects
 - State of good repair capital
 - Regulatory, legislative and strategic projects
- Models based on existing funding methods and alternative scenarios
- Identify any funding shortfalls
 - Mitigating measures



Models are Based on Drivers

1. Price or Inflationary Drivers

- Increases that occur in the absence of growth (e.g. salary increases)

2. Volumetric or Demographic Drivers

- Incremental increases as new people / infrastructure are added (e.g. incremental hiring of new staff due to population growth)

3. Induced Drivers

- Shock event due to assumption of major facility or legislative charge (e.g. Hire 20 firefighters for new fire station)

Modeling the Key Drivers

Cost Centre Drivers:

- Growth and demographic-related factors
- Regulatory and Legislative Changes
- Service Level/Strategic Changes

Account Based Drivers:

- Apply to all cost centres
- Often inflationary changes that would occur in the absence of growth e.g. salary increases

Capital Induced Drivers:

- Often large-scale DC funded projects
- May also be tax supported e.g. Admin expansion

Debt Based:

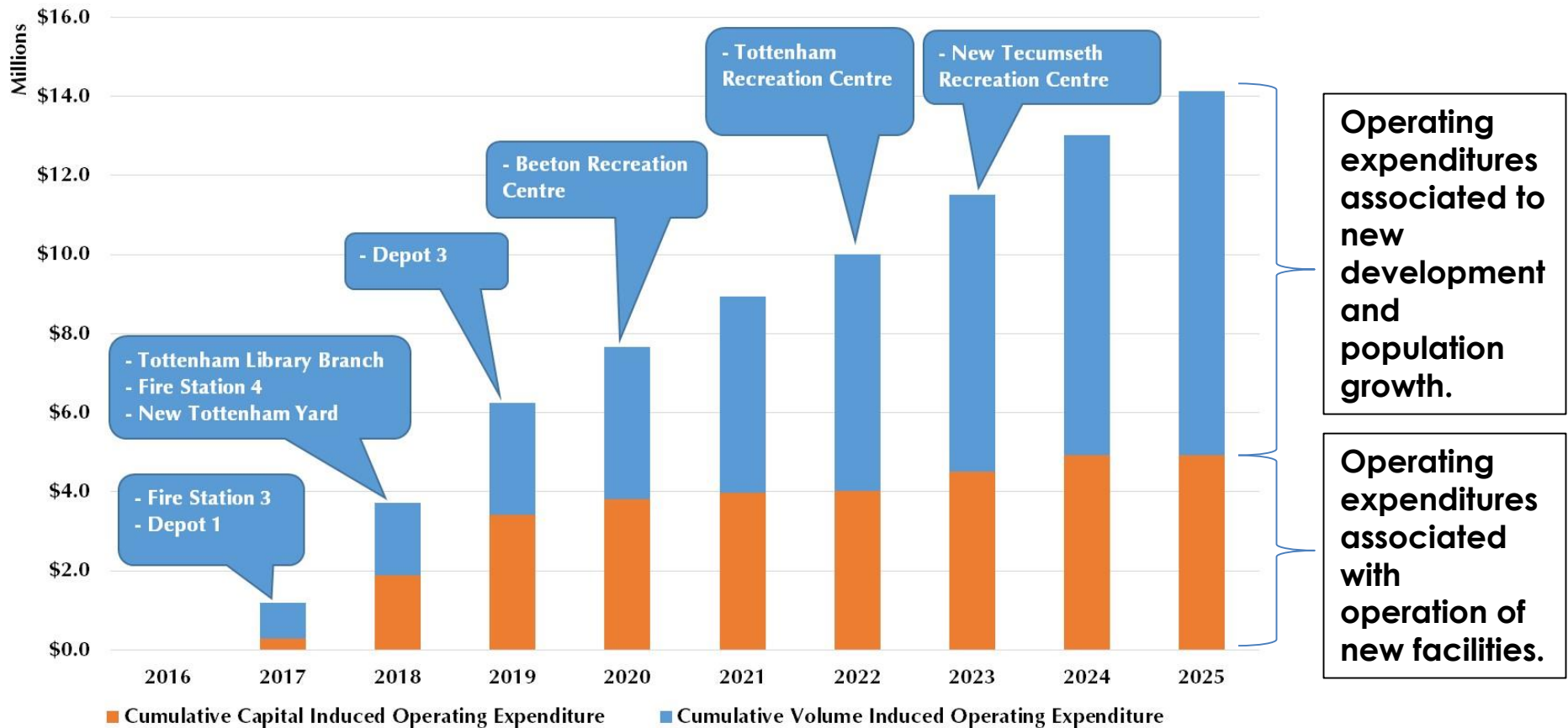
- Modelling of previous and anticipated commitments

Example: Software Based LRFP

Riva DS demo (Demo): Jason Bevan

Main	Tools	Admin	Help	Log Out
Drivers				
Hydro Electric Driver	100	107	112	118
GrantIndex	100	102	104	106
Age 0-4	100	101	101	102
Age 70	100	105	110	116
Population Rate	100	101	103	104
PopulationEmployment	100	101	103	105
LaneKm	100	101	102	103
Number of Signals	100	101	102	103
Trips Delivered	100	101	103	104
Housing Rate	100	102	103	105
ocwa	100	103	109	113
water york	100	101	102	104
Waste Water York	100	98	104	104
OPP Rate	100	108	117	121
Mis Brampton Population and Employment	100	101	103	104
Age2059	100	101	102	103
Prov Upload Schedule	100	105	109	114

Volume and Capital Induced Operating Expenditures 2016-2025



LRRP Challenges

- Limited tax room available for municipalities (revenues do not grow with economy)
- Capital replacement competing with increased operating expenditures (e.g. labour settlements)
- Funding in-year capital works while saving for future capital replacement
- Which capital projects should be carried out?
 - Hard versus soft infrastructure
- Internal and Provincial debt limits

Group Discussion #2

Small Group Discussion # 2: LRFP Approaches & Funding Strategies

- Long-Range financial planning
 - What is your municipality doing?
 - E.g. multi-year capital and operating budgets
- Ways of addressing infrastructure gap through funding strategies
 - What is your municipality doing?
 - E.g. dedicated tax levy funding

Group Discussion: How do you do Long Range Planning?

Strategy	Pros	Cons
Multi-Year Budgeting		
Excel models		
Software models		
Needs Studies/Master plans/Condition Assessments		
Strategic Plans		

Group Discussion: Funding Strategies

Strategy	Pros	Cons
Dedicated funding from tax levy or utility rates		
User fee surcharge (e.g. parks and recreation)		
Funds set aside as new assets are added or replaced		
Pay-as-you-go		
Debt		
Senior grants		
Developer contribution (in-kind or part of planning agreements)		
Local Improvement/CIP		
Public Private Partnerships		

Group Discussion: How do you do Long Range Planning?

Strategy	Pros	Cons
Multi-Year Budgeting	-Helps address long term needs	- Council buy-in - Departmental staff time
Excel models	- Control - Easy to administer - Suitable for small municipalities	- Staff time - Typically single user
Software models	- Multi-user - Dynamic	-May not be suitable for small municipalities
Needs Studies/Master plans/Condition Assessments	-Helps identify future requirements and gaps	- Timely process
Strategic Plans	- Identify municipal priorities - Involves public consultation	- Timely process

Group Discussion: Funding Strategies

Strategy	Pros	Cons
Dedicated funding from tax levy or utility rates <ul style="list-style-type: none"> - % of tax levy - % of pure asset management based provisions 	-High degree of control	-Council and community opposition -Timing
User fee surcharge (e.g. parks and rec)	-Main users of facilities contribute higher share of project cost	- Could place higher burden of costs on less fortunate residents
Funds set aside as new assets are added or replaced	- Prevents the funding gap from getting worse	-Optics of putting funds away for new projects when there are many older facilities requiring short-term replacement
Pay-as-you-go	-Can work in municipalities where assets were emplaced over a long period of time	-Subject to inconsistent fiscal pressures (e.g. spikes in capital)
Debt <ul style="list-style-type: none"> - e.g. policy to limit (non-DC) debt to asset replacements 	-Can address short-term problems	-Limits ability of municipality to respond to emergencies

Group Discussion: Funding Strategies

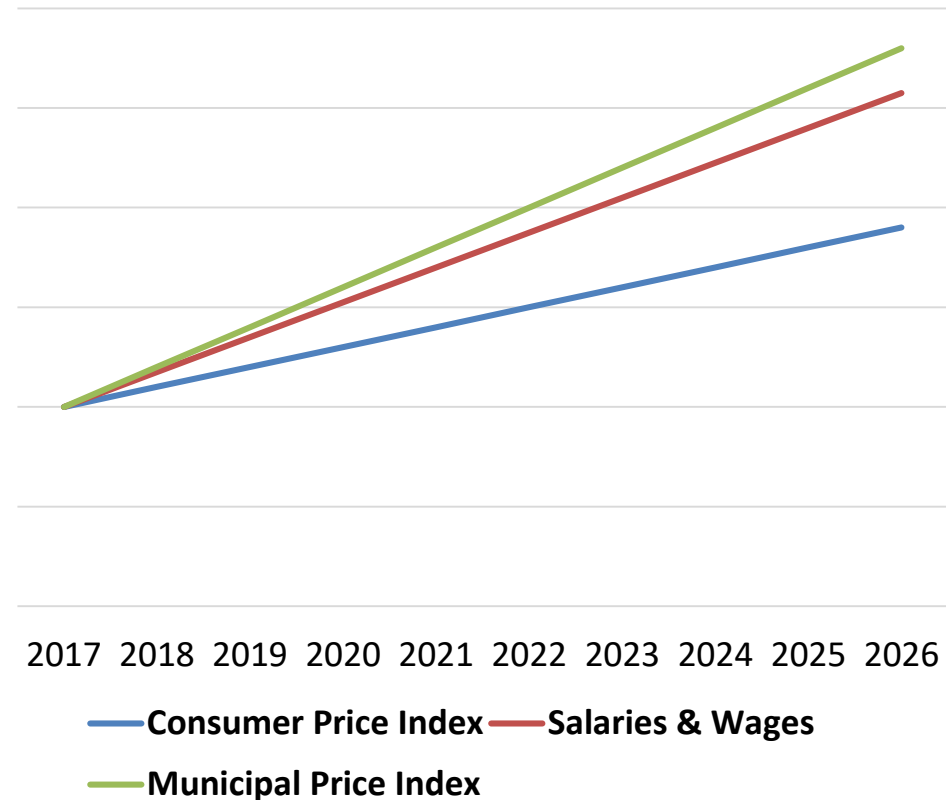
Strategy	Pros	Cons
Senior grants	<ul style="list-style-type: none"> - Reduce local tax/rate impact 	<ul style="list-style-type: none"> - “Only one taxpayer” - Unreliable
Developer contributions (in-kind or part of planning agreements)	<ul style="list-style-type: none"> - Reduce local tax/rate impact 	<ul style="list-style-type: none"> - Not guaranteed - Appealable to OMB in some cases - May pass on to new homeowners
Local Improvements/CIP	<ul style="list-style-type: none"> - Legislative basis - Long historic use (recognized) - Easily implemented 	<ul style="list-style-type: none"> - Is it appropriate for asset replacement? - Not applicable for large municipal infrastructure (i.e. water treatment plant)
Public Private Partnerships	<ul style="list-style-type: none"> - Cost and risk is distributed - Operating costs can be lower in some cases 	<ul style="list-style-type: none"> - Less control over project - Legal and admin elements

Common Findings

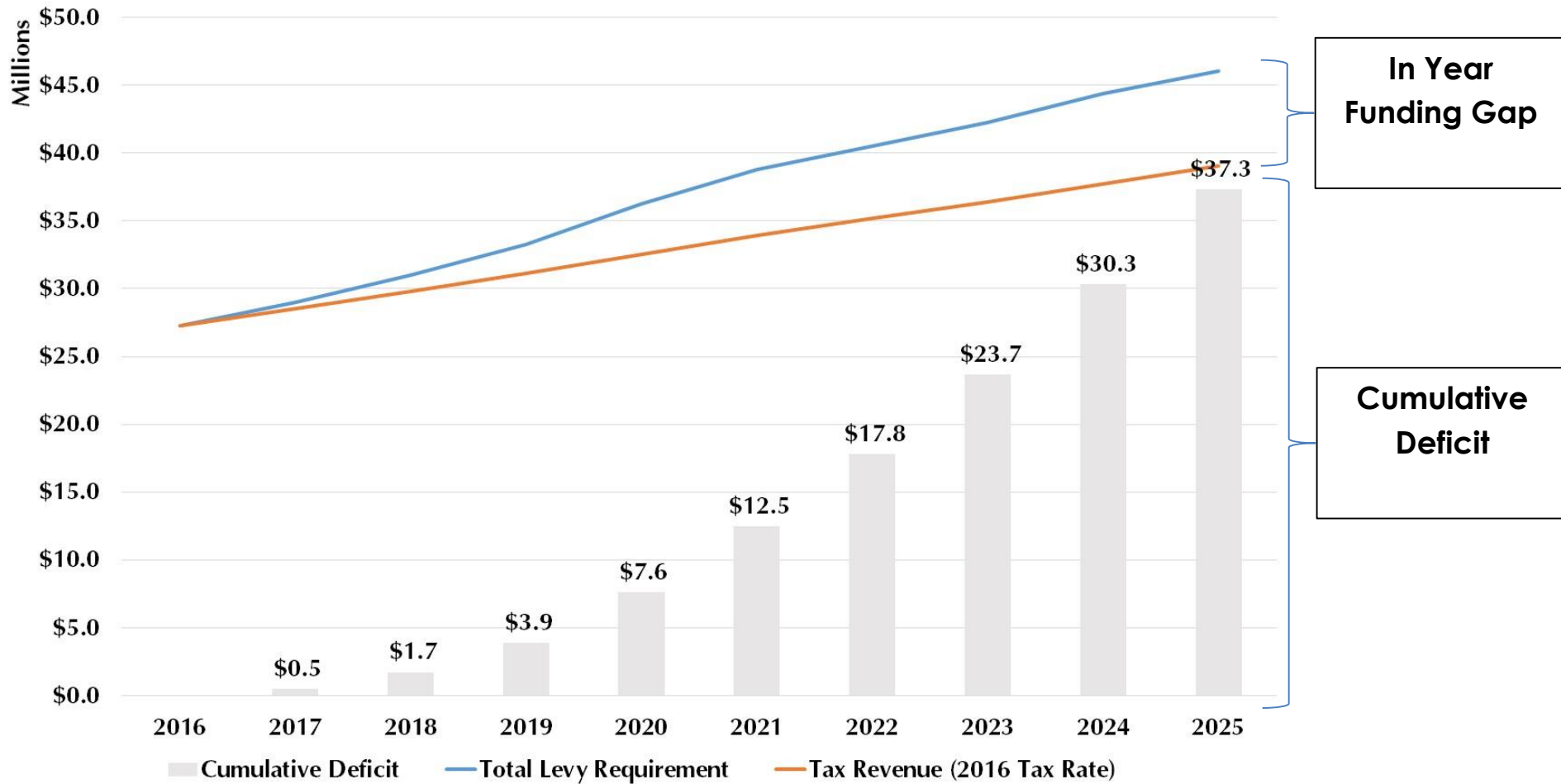
Common Findings

Operating Costs:

- **Salary, wage and benefit** drivers tend to dominate all other operating costs
- Opportunities for **savings/efficiencies** is limited without significantly affecting service levels
- **Cost of providing municipal services** tends to grow quicker than the CPI across Canada

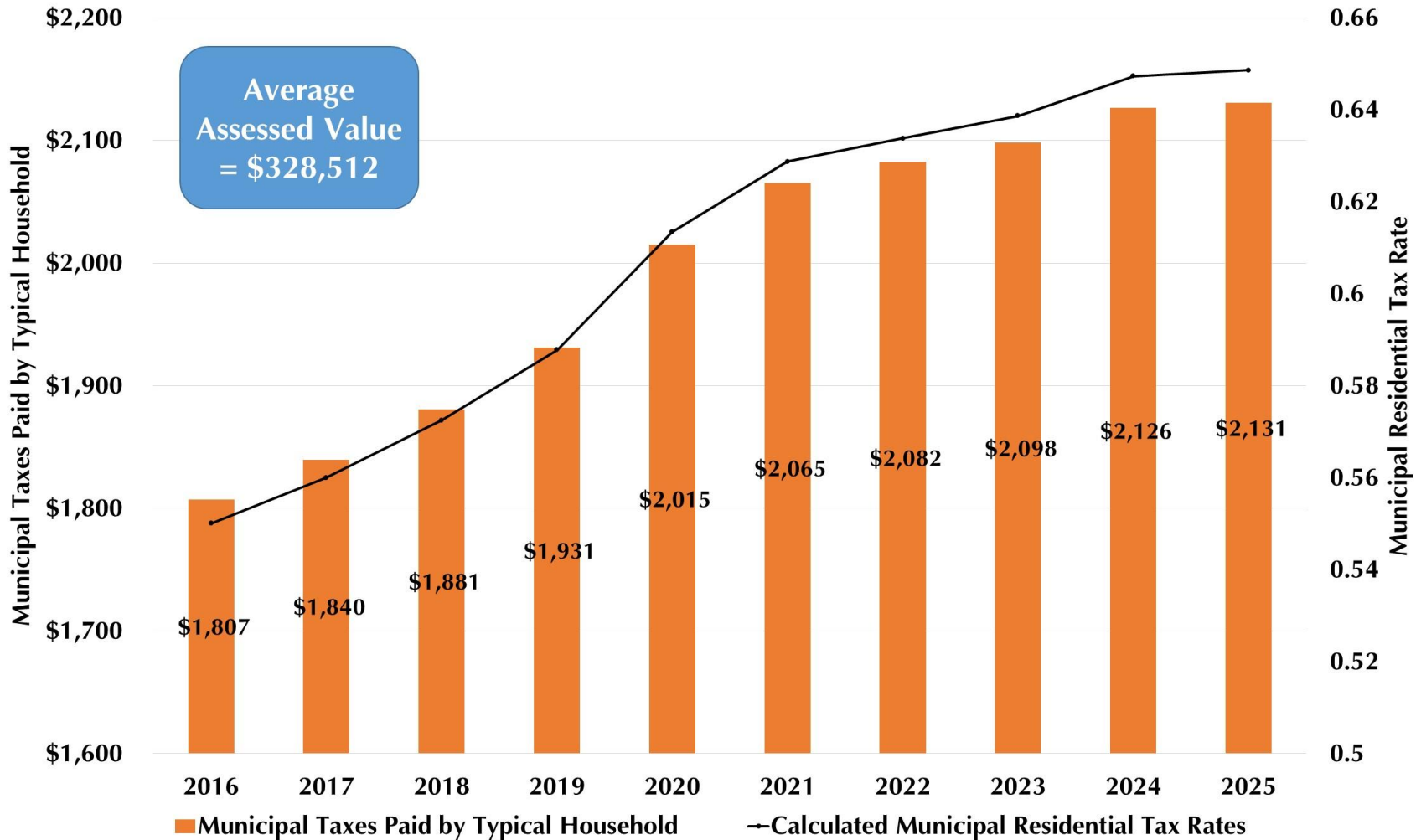


Common Findings: Property Tax Funding Gap



Town Purpose: Residential Property Tax Rate

Municipal Taxes Paid by Typical Household & Municipal Residential Tax Rate



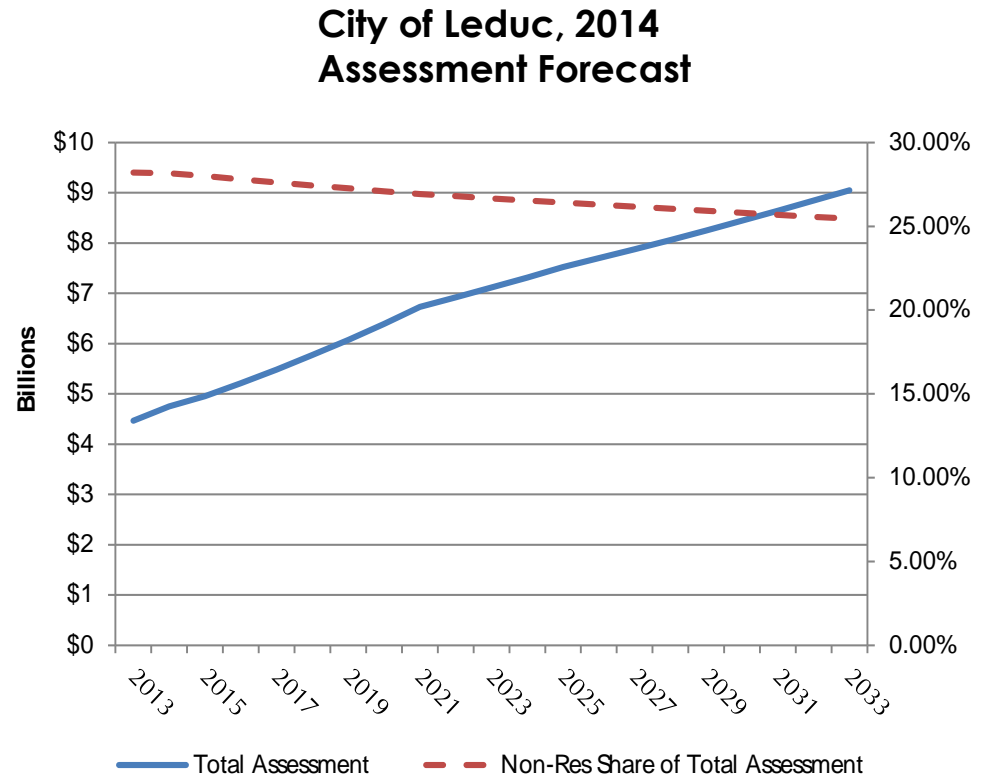
Addressing the Funding Gap

- Often the current municipal fiscal state is very good
- However if existing property tax rates are not increased, in a real sense, there would be a funding gap
- Options for addressing short-term funding gap
 - Real property tax increases
 - Modify the capital program
 - increase debt level
 - delay capital works
 - partnerships (inter-municipal, P3s, developers)
 - review fees and development charges

Common Findings

Revenue:

- Property taxes are overwhelmingly the most important revenue source
- New developments tend to have higher assessments than the existing community
- Attracting non-residential development, and its higher weighted assessment, is a key objective



Sample Policy Recommendations Assessment Shares

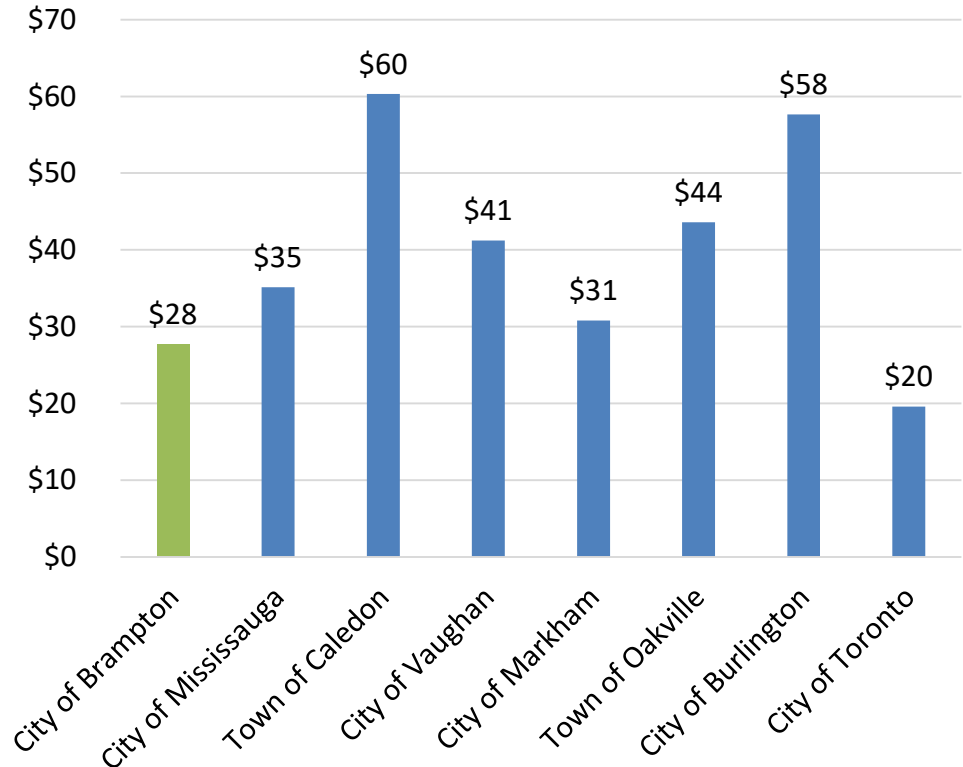
Promote Ongoing Economic Growth

- Set a reasonable residential : non-residential assessment ratio target and incorporate into all planning and economic development strategies
- Strengthen and clarify employment land conversion policies
- Develop a Community Improvement Plan geared toward identifying and attracting key employment sectors
- Continue to work with local businesses and associations to identify and address barriers to business activity and growth

Common Findings: Opportunities to Increase Revenues

- User fees are an important revenue source:
 - Represented \$150 million or 25% of total tax supported revenues in 2016
 - Transit fares account for the largest proportion of user fee revenues (40%)
- Relatively low recreation user fee revenues
 - Important to consider ability to pay principles and the qualitative value to residents

Recreation User Fee Revenue Per Capita (2015 FIR)



Common Findings

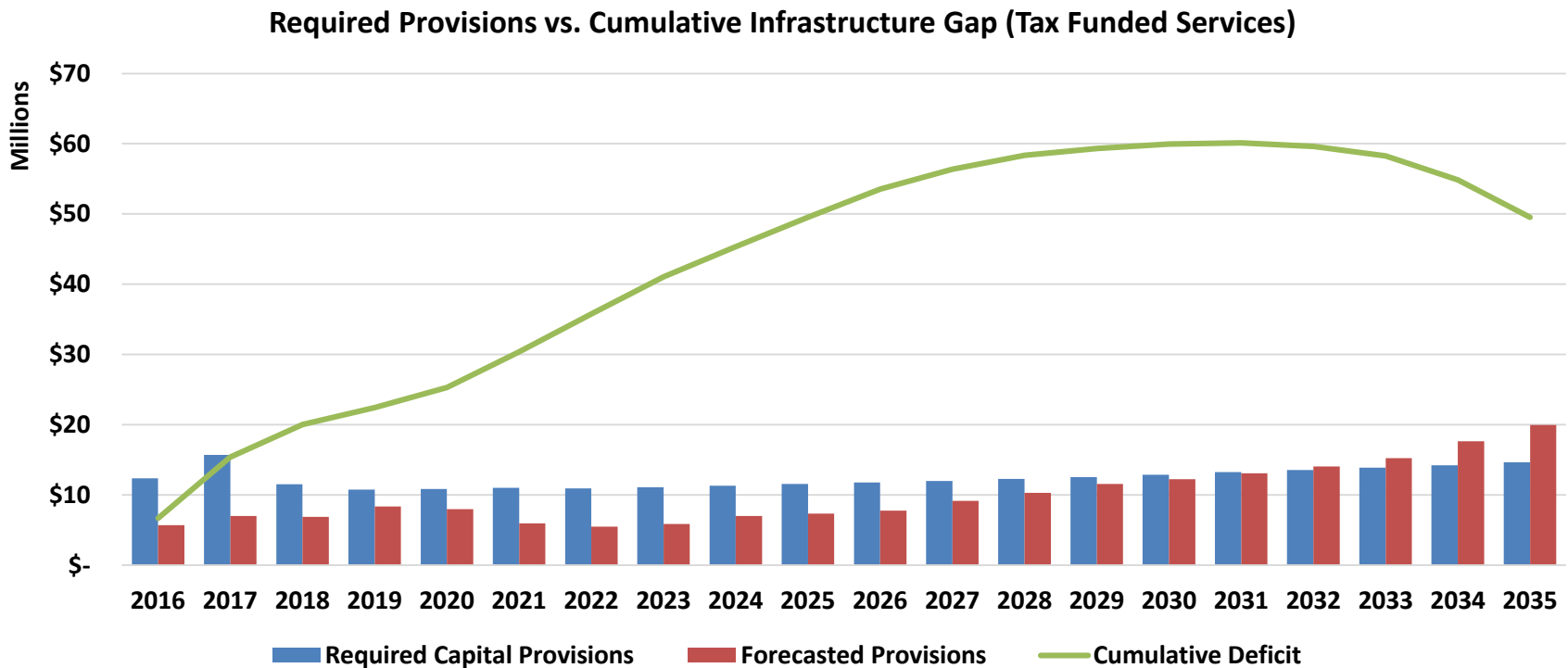
Capital Costs:

- **Virtually no municipalities are meeting fully calculated asset management requirements**
 - Dedicated infrastructure levy tax increases have received more support from Council and taxpayers than we anticipated
 - New development can help address problems in short-term but may add to problem in long-range
 - Despite these shortfalls, most Canadian municipalities are generally fiscally sustainable

Example: Infrastructure Gap

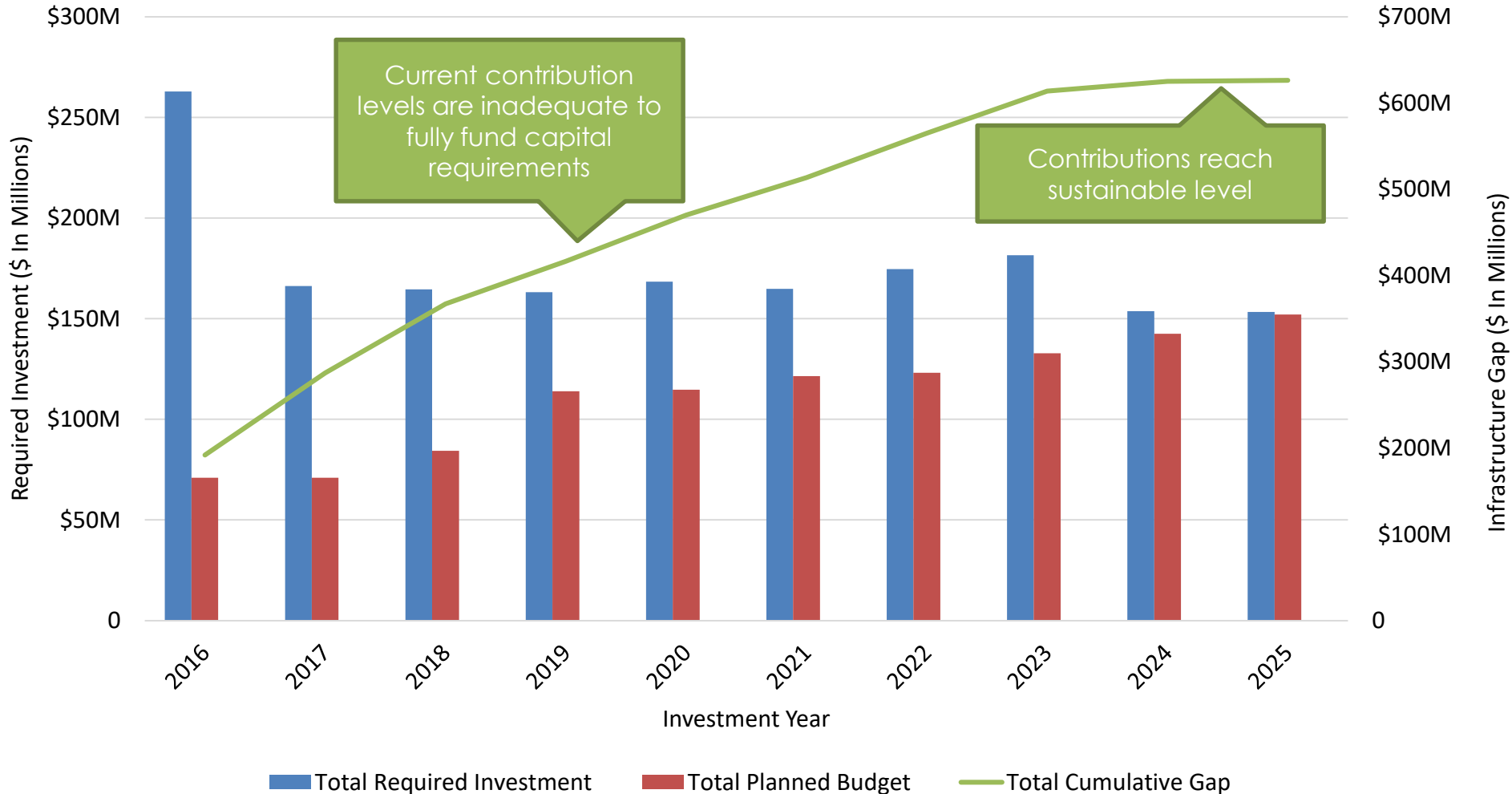
Town of Georgina, 2016 findings:

- Infrastructure gap expected to grow
- 1% capital tax levy would reduce the infrastructure deficit by about \$9.8 million over the 20-year forecast



Key Findings: Asset Management

Overall Infrastructure Gap Forecast



Sample Policy Recommendations

Asset Management

Maintain the City's Infrastructure Assets

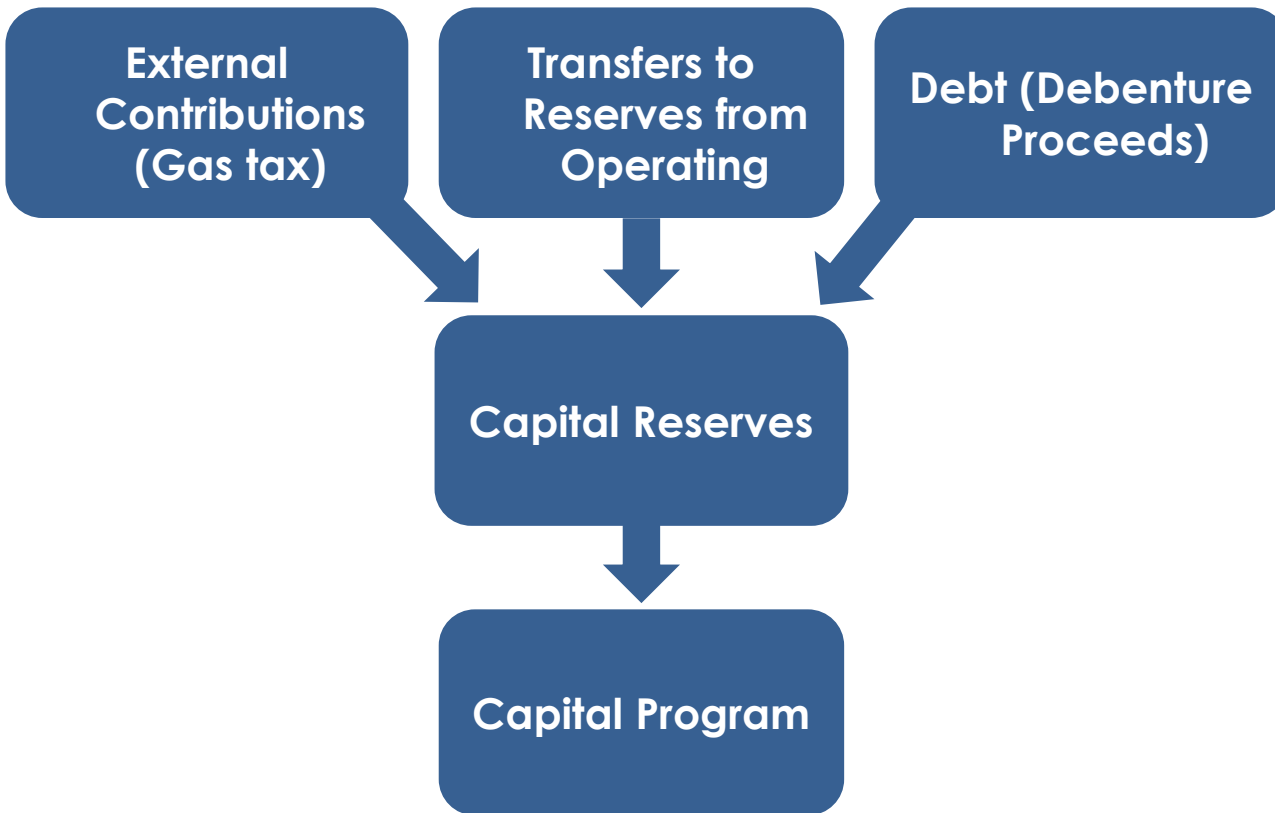
- At a minimum, maintain infrastructure levy increases of 2% of the tax levy per year
- Undertake Department Asset Management Plans and define service levels under each service area
- Partner with other private or public organizations where possible
- Explore opportunities for new Federal, Provincial, or third party funding

Common Findings

Capital Costs (cont.):

- **Capital forecasts likely have more risk than operating forecasts**
 - Increasing environmental regulation / climate change
 - Requirement for more urban amenities
 - Emerging technology e.g. automated vehicles
 - Variability of federal and provincial/state grants
 - Pressure to front-end infrastructure despite risk of housing bubble in many Canadian markets

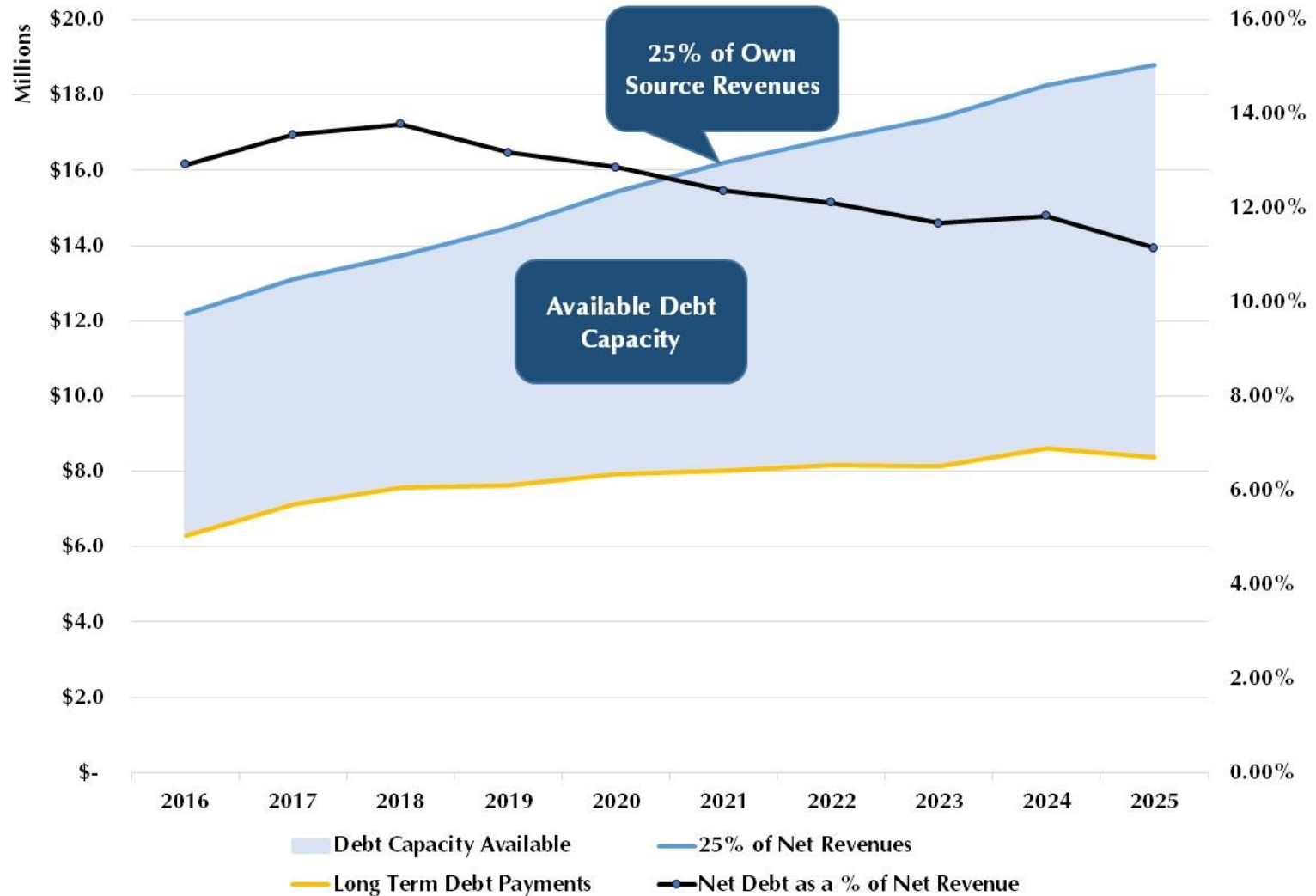
Debt and Reserves: Identifying Capital Impacts and Funding Options



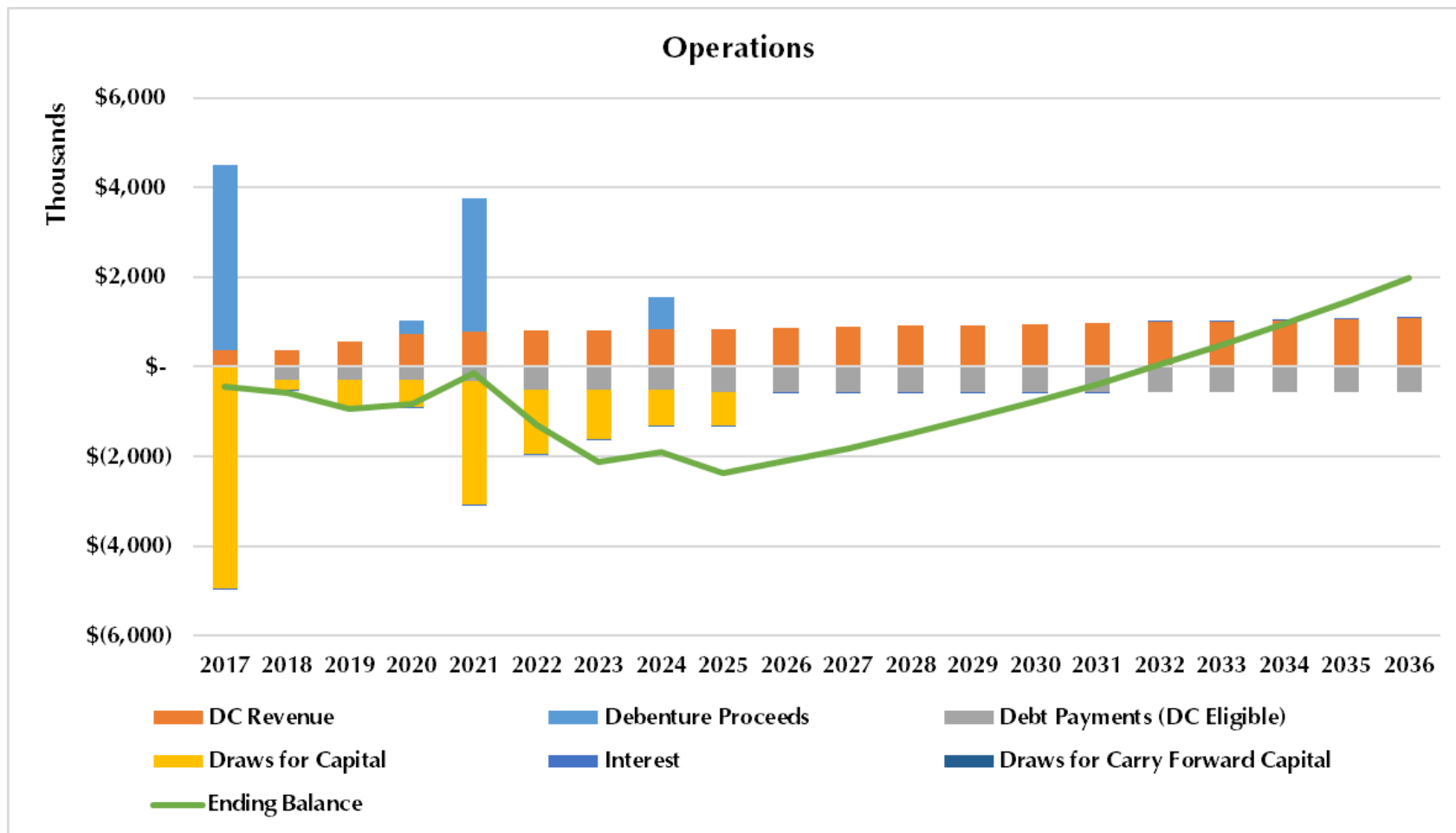
- Model allows for sensitivity testing of capital funding options
 - Debt, reserves, grants
- Debt mitigates impacts on reserves
- Method helps identify major capital impacts and how to address them

Example: Debt Capacity Forecast

Town of New Tecumseth, 2016



Example: Development Charges Reserve Fund Forecast



Case Studies

Region of Peel

- Based on Riva Software solution which is easily updatable
- Designed to produce numerous financial performance measures
- Extensive outputs tied to measuring key indicators



City of Brampton

Reason for Analysis

- Significant capital investments under consideration:
 - Higher-order transit projects
 - New university campus
 - Major parks projects
- Examined over 10-year planning period



City of Brampton

Key deliverables

- Report
- Financial model

Analysis included

- Benchmarking analysis
- Review of current practices
- Anticipated revenue and expenditures
- Debt management practices



City of Brampton

Key directions and policy recommendations

- **Make decisions on capital investments based on strategic priorities and financial impacts:**
 - Develop a 10-year capital forecast
 - Make use of capital project prioritization metrics
- **Continue the use of reserves and reserve funds:**
 - Consider the use of existing discretionary reserve fund balances to fund major economic development initiatives
- **Explore opportunities for alternative revenue tools:**
 - Work with AMO and other municipalities to secure permissions similar to those provided under the *City of Toronto Act*
- **Consider issuing debt for major long-term assets:**
 - The City's very low debt levels provide opportunities to expand on debt in a financially sustainable manner

City of Leduc

Deliverables

- Written report
- Excel based financial model

Key findings

- Current identified operating and capital obligations can be funded with manageable tax revenue increases
- City benefits from a relatively strong residential : non-residential assessment ratio, attracting further non-residential growth may be a challenge
- Available debt capacity to address most unforeseen needs
- Expenditures are generally lower than calculated needs



City of Leduc

Key Recommendations

- **Target Non-Residential Growth**
 - Encourage all types of non-residential land uses
 - Ensure future boundary expansions consider future assessment ratios
- **Capital Infrastructure Funding**
 - set off-site levies annually
 - Maximize “local service” recoveries
 - Use of debt
- **Reserves & Asset Management**
 - Enhance existing reserve fund policies
 - Move toward a condition-based asset management system



Case Study: Town of Innisfil

Key Recommendations

- **Manage Capital Assets in State of Good Repair**
 - Make provision for potential OLG funding loss through continued use of 1% capital levy
- **Use DC Funds as Planned**
 - Monitor amount, location and timing of development and make appropriate adjustments to growth-related capital program
 - Closely monitor fiscal impact of development in key planning areas
- **Continue Strategic Use of Reserve and Reserve Funds**
 - Regularly review the status, need and policies for reserves and reserve funds



Questions on case studies?

Key Performance Measures

Critical Performance Measures:

1. Annual Debt Repayment Limit

What does it measure?	Why is it important?
<ul style="list-style-type: none">• Measures the debt capacity available to a municipality to take on additional debt relative to the provincially mandated limit• Available through Schedule 81 of the FIR	

Critical Performance Measures:

2. Net Debt to Net Own Source Revenue

What does it measure?	Why is it important?
<ul style="list-style-type: none">• Measures the debt capacity currently in use relative to the provincially mandated limit of 25% of net revenue• Available through Schedule 81 of the FIR	

Critical Performance Measures:

3. Current Infrastructure Deficit

What does it measure?	Why is it important?
<ul style="list-style-type: none">• Measures the theoretical current gap between available funding for capital and the actual capital expenditure requirements• Useful to compare the theoretical requirement with actual budgeted spending	

Critical Performance Measures:

4. User Fee Revenues as a % of Expenditures

What does it measure?	Why is it important?
<ul style="list-style-type: none">• Measures the fee recovery rate for services funded through user fees• Can be used to compare the funding gap for fee related services such as transit or recreation services	

Other Performance Measures to Consider

Indicators	Rationale	Examples
Gas Tax Project Outcomes and Project Output Indicators	<ul style="list-style-type: none"> • Required as part of the Federal Gas Tax Agreement • Service level/performance measures can be used to measure the effectiveness of asset management initiatives • Full list available at www.amo.on.ca 	<ul style="list-style-type: none"> • Length of paved roads rated as good and above (lane km) • Number of residents with access to new, rehabilitated or replaced water distribution pipes • Number of residents who will benefit from investment in recreational infrastructure
Municipal Performance Measurement Program (MPMP)	<ul style="list-style-type: none"> • Data is readily available through budgets and historical actuals • Although the MPMP was discontinued in 2014, historical data is available • Full list available at efis.fma.csc.gov.on.ca 	<ul style="list-style-type: none"> • Operating costs for winter maintenance of roadways per lane km maintained in winter • Operating costs for treatment and disposal of wastewater per megalitre

Key Takeaways

The key value of undertaking a LRFP:

- Ties together various financial reports and policies into one comprehensive plan
- Identification of strengths, weaknesses and opportunities over a long-term horizon
- Allows for the ability to test the financial impact of key Council and staff decisions
- LRFP model should be easily updatable to consider the evolving asset management data and funding priorities

Discussion

Questions?