Infrastructure Sustainability
Opportunity or Ticking Time Bomb
Infrastructure Role and Management

- Fashion Show to attract and retain people and business
  - Infrastructure supply and balance
  - Its functionality and condition
  - Its reliability and safety

- Is a business process
  - Balancing long term costs against revenues
  - Living within your means
Infrastructure Realities

- Infrastructure is expensive
  - To build, maintain and renew
  - Underfunding creates a backlog
  - Backlog is growing sustainability gap
- As infrastructure ages and fails
  - Renewal costs increase
  - Loss of service and reliability
  - Increased claims and complaints
Long Term Multi-Asset Investment Plan (AMIP)

- Cost Cash Flow Analysis

<table>
<thead>
<tr>
<th>Asset List</th>
<th>Replacement Value</th>
<th>Remaining Life %</th>
<th>Deficit (backlog)</th>
<th>20 Year Schedule</th>
<th>Looming Costs</th>
<th>AALCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Linear and Non-linear</td>
<td>$300 M</td>
<td>53%</td>
<td>$46 M</td>
<td>$71 M Total</td>
<td>$57 M between 2025-27</td>
<td>$5M</td>
</tr>
</tbody>
</table>

- AALCI is average annual life cycle investment
  - Annual depreciation of replacement value
  - If budget is less than AALCI, sustainability gap grows
- Complete picture for Mayor and Council
Long Term Multi-Asset Financial Plan (AMFP)

- Funding Cash Flow Analysis
  - Long term revenues and sources
  - Integrated rate, tax, fee, reserve, borrowing, DCCs, and grant amount requirements and timing
- Costs usually much higher than revenues
- Grants pivotal to sustainability
Sustainability Choices

- **Opportunity**
  - Determine accurate costs and revenues
  - Find the community affordability limit
  - Modify financial management and budget allocation practices
  - Build acceptance with staff, Council and community

- **Time Bomb**
  - Growing sustainability gap may not be reversible
  - Growing gap may result in low population growth
  - Growing gap may shift youth, families and business from rural to urban communities
Thank You

For more information please contact:

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