

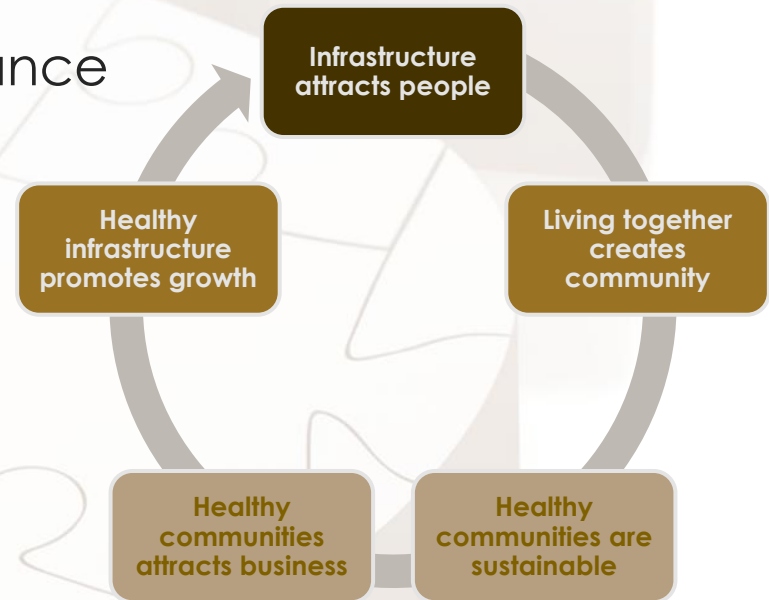


# Infrastructure Sustainability

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)

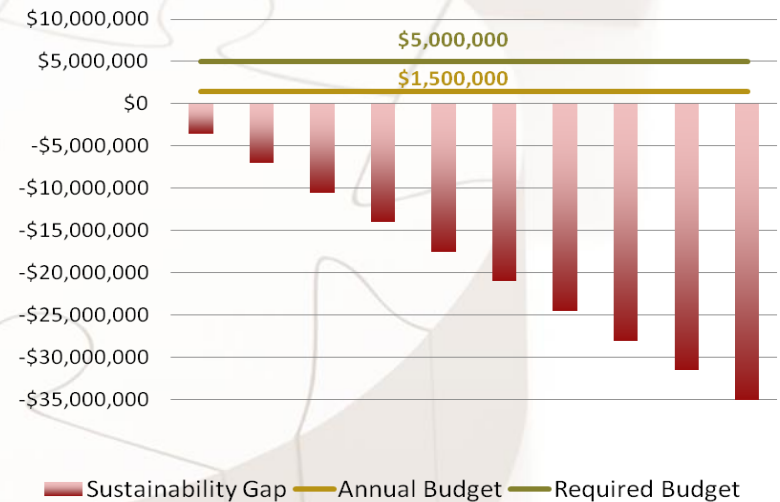
- Cost Cash Flow Analysis

Asset List	Replacement Value	Remaining Life %	Deficit (backlog)	20 Year Schedule	Looming Costs	AALCI
Linear and Non-linear	\$300 M	53%	\$46 M	\$71 M Total	\$57 M between 2025-27	\$5M

- AALCI is average annual life cycle investment
  - Annual depreciation of replacement value
  - If budget is less than AACLI, 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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