



Capital Investment Plan (CIP) Workshop

Project Partners:

Service Nova Scotia & Municipal Relations
Municipal Finance Corporation
Sierra Consulting
Nova Scotia Municipalities





Agenda

- 10:00 am – Introduction
- 10:30 am – Sierra's CIP Presentation
- 11:15 am – Workshop Exercise Description
 - Problem description
 - Weight scoring
- 11:45 am – Workshop Exercise Begins
 - Questions
- 12:00 pm – Lunch



Agenda

- 12:30 pm – Workshop Exercise Continued
 - Project data entry
 - Project evaluation (scoring 1-10)
 - Selecting schedule of funding
- 1:00 pm – Capital Budget
 - Extended reports generated from data entries
 - Questions and answers
 - Review of issues
- 1:40 pm – Wrap-Up
 - Other GTA Reporting
 - Next Steps
 - Workshop Evaluation



Background

- Canada – NS Gas Tax Agreement (2005-2014)
- CIP Requirement for Gas Tax in year 4 (2008-09)
- CIP History – framework, logic model, software development, and workshop



What is CIP?

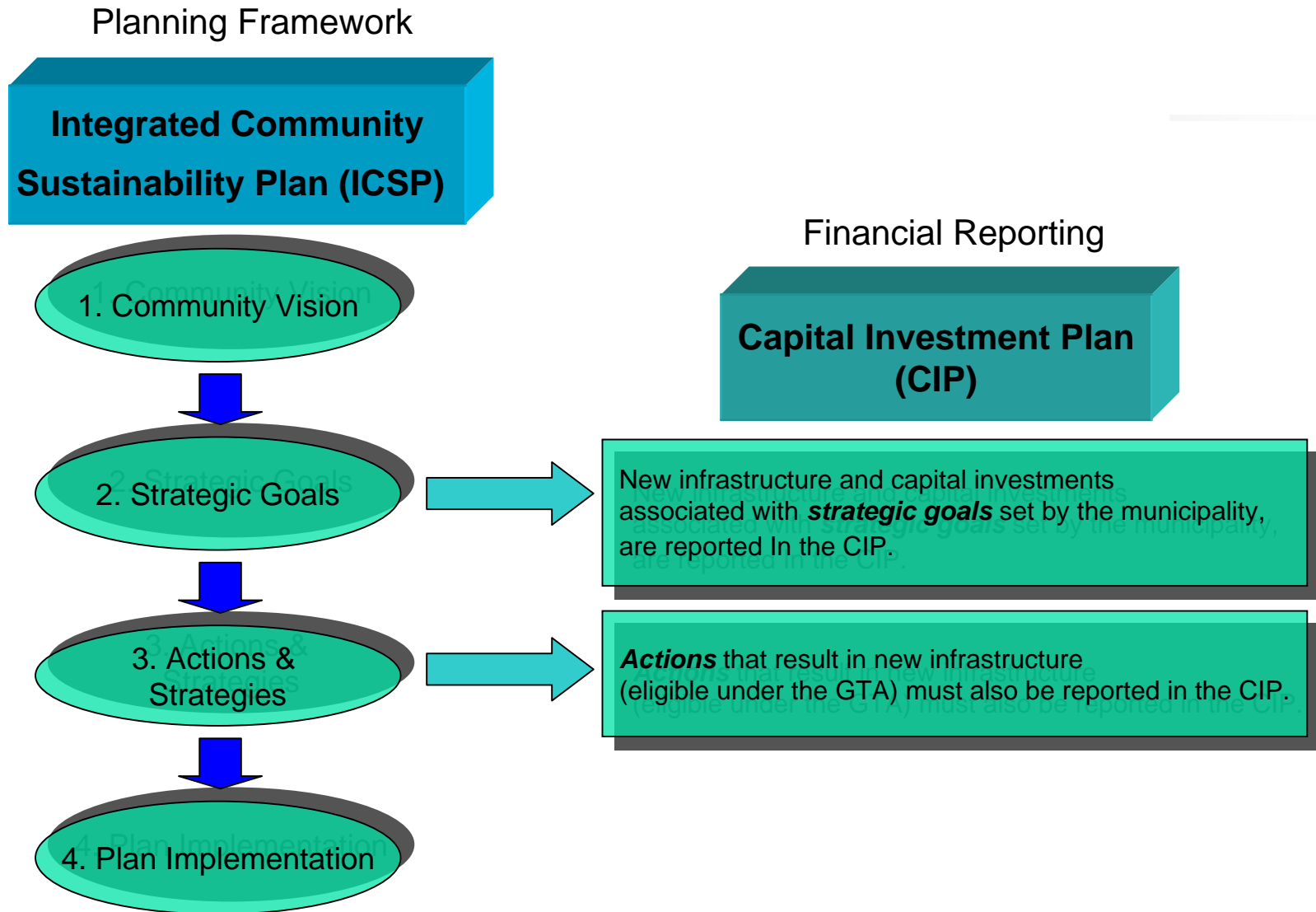
- Tool to assist municipalities plan long-term capital projects and infrastructure investments
- Integrates comprehensive decision-making process to select the most appropriate capital projects
- Software tool (Excel) to assist Municipalities in completing the CIP



Benefits of CIP Tool

- Meets the requirements under Gas Tax
- Standardized and user-friendly template to assist municipalities/province with reporting
- Formalizes a process for enhanced long-term capital planning
- Ideal for municipalities with limited resources
- Lens for priority setting
- Framework for succession planning

How does the CIP fit with the ICSP?





ICSP and CIP

- The ICSP is a strategic document that represents the municipality's broad vision and strategic priorities for the future
- Municipal infrastructure requirements are aligned with the long-range goals and actions described in the ICSP
- Linked to the ICSP is the CIP, which is used to identify significant infrastructure and capital investments and priorities
- There should be a clear link between the two documents
 - Concepts, goals and actions outlined in the ICSP should be supported by infrastructure and capital investments identified in the CIP and vice versa



Capital Investment Plan Template for NS Municipalities



Purpose of the CIP Template

- Assist municipalities to comply with reporting requirements of the Federal Gas Tax Agreement and provide a tool to speed the compilation and organization of CIP data for Municipal Funding Agreements (MFAs)
 - Provide a simple, User friendly interface
 - Help to eliminate repetitive tasks
 - Automate Municipal reporting requirements
 - Supply a consistent layout and incremental process to facilitate documentation requirements



Setup, Data Definition, and Process

- Allow one-time entry of basic parameters for the CIP
- Use these parameters throughout the Template
 - Reduce time and resource requirements for municipalities
 - Standardize submissions and format for the Province
- Provides a means to easily update and create new Templates for future years



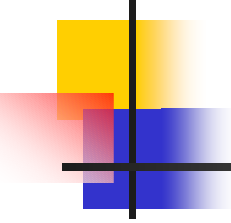
Schedule 1 – CIP Project Summary

- Enter a “wish list” of Projects under consideration
- Enter descriptive data, uniquely identify each Project (#)
- Enter standardized Expenditure Code per project
- Estimate Total Project Costs to completion



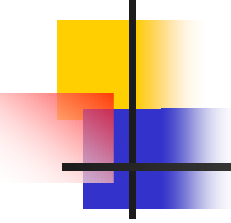
Schedule 2 – Define Ranking Criteria

- Specify the Criteria used to prioritize projects
- Provide a weighting of Criteria to facilitate a project scoring and evaluation process. This will provide;
 - A tool to allow a visual representation of municipal priorities
 - A means to coordinate and record the decision making process
 - A consistent, repeatable format for ranking projects
- Enter standardized Expenditure Code, categorize projects
- Estimate Total Project Costs to completion



Schedule 3 – Ranking your “Wish List”

- All Projects entered by Users on Schedule 1 are automatically inserted into this form for ease of use
- Score projects using Criteria and Weight defined in Schedule 2
 - In each Column enter Raw Score as whole number between 1 and 10
 - Total Raw Score per column = Score **X** individual Criteria Weight
 - Total Raw Score per Project = Sum of all Project Scores identified
- Once all Projects have been ranked, sorting can be performed on the entire form to present and/or print scoring data in useful format
- Once refined, a simple Capital Budget Year Selection Area automatically inputs Project data into the CIP Budget by fiscal year



Schedule 4 – 5-Year CIP Budget

- All Projects selected on Schedule 3 using the Capital Budget Year Selection Area are automatically inserted into this form
- Budgeting data is entered per Project per fiscal year
 - Specify all Estimated Sources of Financing for Municipal Projects
 - Specify amounts per Finance Source
 - Summarize yearly Budget requirements automatically for 5 years
- Helper application allows ease of Code selection per Source and eliminates mistakes in Finance Source Code entry
- An *optional* 10 Year Budget form is included and is available for Years 6-10



Schedule 5 – Debt Service Cost Projections

- Allows entry and calculation of Debt Service Costs and associated financial ratios to assist and help evaluate ongoing costs for municipalities
- These ratios will assist with the reconciliation of Budget data and substantiate the total costs of budgeted projects
- Compared to own Source Revenue of Municipalities true debt figures and ratios are automatically calculated
 - Ratios provide additional means of evaluation and help ensure that guidelines are not exceeded in planned activities



Schedule 6 – CIP Project Details

- Provides a form for definition of extended project details as required for Capital Investment Plan submissions
- Some basic project data from Schedule 1 is automatically inserted into this form to eliminate repetitive data entry
- Federal Gas Tax Agreement compliance requires this additional data
 - Per Federal Gas Tax compliance, only projects included within Schedule 4 (5-Year Budget) need have these additional project details defined in this form



Schedule 7, 8, 9 – Data Reports

- CIP Summary of Funding Sources
- CIP Summary of Cost by Expenditure Code
- CIP Reference Codes List



Schedule 10 Confirmation

- **CIP Complete**
 - Print, Sign and Send



Workshop Description



Other Gas Tax Reporting Requirements

- Interim Annual Expenditure Report (AER) due May 30, 2008
- Audited AER due July 31, 2008
- 2007-08 Financial Statements due July 31, 2008
- Outcomes Report due July 31, 2008
- ICSP draft due Sept 30, 2009



Next Steps

- Capital Investment Plan tool will be available mid-May 2008.
- Download at www.nsinfrastructure.ca
- CIP is due **October 1, 2008** (submission of a 5 year capital budget/gas tax project summary is mandatory)



Workshop Wrap-up

- Questions?
- Software Revision
- Workshop Evaluation