

Request for Decision



To: Regular Meeting
From: Chief Financial Officer
Date: September 24, 2018
Subject: 2018-2022 Financial Plan Amendment Bylaw, No 2045-A1
Recommendation: **THAT Council gives final reading to 2018-2022 Financial Plan Amendment Bylaw, No. 2045-A1.**

Background

Since the adoption of the five year financial plan on April 9th, Council has passed various resolutions to approve additional expenditures for capital projects and requests for community support. An amendment to the financial plan is required to include these costs, as well as those emergency expenditures which have been incurred as a result of the flood, and anticipated future additional expenses and revenue shortfalls. There are also some further adjustments which staff has made for capital projects.

This Bylaw was introduced to the COTW on August 20, 2018 and given first three readings on September 4, 2018.

Following are the details of changes incorporated into this amendment, along with the Council resolution number, as applicable:

Revenues

- Grants for airport water main/flood plain risk management	(2,126,300)
- DFA - funding for dike repairs	2,724,000
- EOC - recoverable expenses/recovery team	230,000
- DFA and insurance recoveries - expenses	270,000
- Insurance recoveries - capital items	50,000
- Slag sales - revised due to transportation issues	(65,000)
- Campground - flood related loss of use	(35,000)
- Water and sewer revenues - flood billing adjustments	(65,000)
- Gas tax and small communities grants - adjusted to actual	16,452
- Insurance proceeds (added since bylaw introduction)	700,000

Expenses

- General government - additional personnel and IT	38,000
- Parks, recreation & cultural - Community Centre study and Fall Fair Society donation; R208/18/07/19 & R225/18/07/23	5,365
- Protective services - costs for recovery team and fire department personnel changes	78,100
- Protective services - EOC costs	200,000
- Transportation and public works - dike repairs	1,000,000
- Planning & development - personnel changes	(18,500)
- Facilities - flood damage recoverable by insurance/DFA	300,000
- Facilities - flood damage expenses (added since bylaw introduction)	700,000

Capital Projects

- Flood plain risk management project; R214/18/07/19	\$ 225,700
- Airport water main - grant approved	128,000
- Airport water main - removed	(2,480,000)
- 22 nd Street - additional works; R215/18/07/19	50,000
- Voltage conversion - outage rescheduling; R122/18/04/09	10,000
- Annual water and sewer emergency repair fund	50,000
- Waste water treatment plant upgrades - additional costs	454,000
- Dike upgrades to current requirements	2,406,000
- City Hall HVAC	7,500
- Campground upgrades	50,000
- MWR discharge requirements	(400,000)

The net result of the above adjustments is an increase in revenues of \$1,699,152, an increase in expenses of \$2,302,965, and an increase in capital expenditures of \$501,200.

The annual water and sewer emergency repair fund has been increased by \$50,000 in order to comply with PSAB accounting rules for recording capital items replaced by insurance. The net cash impact of this is zero, as there will be revenue to offset this amount.

The additional funding of \$803,500 which is required from reserves is for the following capital projects:

Dike reconstruction	\$ 682,000
Voltage conversion	10,000
WWTP upgrades	454,000
MWR discharge requirements	(400,000)
City Hall HVAC	7,500
Campground upgrades	50,000

Benefits or Impacts

General

Amending the Financial Plan ensures that the City's additional expenditures are properly authorized and in compliance with provisions of the *Community Charter*.

Strategic Impact



Fiscal Responsibility

- These financial plan amendments will reduce the 2018 surplus by \$585,423 and increase the net transfer out of reserves and surplus by \$1,055,013.

Policy/Legislation

Section 165 (2) of the *Community Charter*

Attachments

2018-2022 Financial Plan Amendment Bylaw, No. 2045-A1

Recommendation

THAT Council gives final reading to 2018-2022 Financial Plan Amendment Bylaw, No. 2045-A1.

Options

1. RESOLVED THAT Council accepts the recommendation.
2. RESOLVED THAT Council does not accept the recommendation.
3. RESOLVED THAT Council refers the matter back to staff for further information.

Report Approval Details

Document Title:	By2045-A1 Financial Plan Amendment adopt.docx
Attachments:	- By2045-A1 - Five Year Financial Plan Amendment 2018-2022.pdf
Final Approval Date:	Sep 7, 2018

This report and all of its attachments were approved and signed as outlined below:

Diane Heinrich - Sep 7, 2018 - 11:32 AM