

Request for Decision



To: Regular Meeting
From: Financial Services
Date: September 16, 2019
Subject: 2019-2023 Financial Plan Amendment Bylaw, No 2055-A1
Recommendation: **THAT Council gives first three readings to the 2019-2023 Financial Plan Amendment Bylaw, No. 2055-A1**

Background

Since the adoption of the five year financial plan on April 8th, Council has passed various resolutions to approve additional operating and capital expenditures. An amendment to the financial plan is required to include these costs, as well as any other anticipated future expenses and revenue shortfalls. There are also some further adjustments which staff has made based on actual amounts or a better estimate.

The following are details of the changes incorporated into this amendment:

Revenues

| | |
|---|----------------|
| - Property & parcel taxes and payments in lieu – adjusted to actual | 695 |
| - Campground revenues – anticipated shortfall | (10,000) |
| - Building permits – additional revenues | 28,000 |
| - EMBC, DFA and insurance recoveries – primarily S Ruckle armouring | 806,480 |
| - Investment and interest income | 55,000 |
| - Electrical revenues – decreased consumption; BC Housing recovery | 6,760 |
| - Gas tax and small communities grants - adjusted to actual | <u>238,887</u> |
| Total revenue adjustments (increase) | \$1,125,822 |

Expenses

| | |
|--|-----------------|
| - General government – administration | 30,000 |
| - Protective services – fire department | 53,000 |
| - Electrical utility – decreased consumption | (56,930) |
| - Outside works & utilities – add back SIIP allocation | 200,000 |
| - Flood protection – decrease & reallocation to capital | (900,000) |
| - Facilities – additional insured expenses (revenue to offset) | 130,000 |
| - Debt interest – interim funding converted to long-term debt | (18,815) |
| - Amortization - capital addition/timing adjustments | <u>(10,082)</u> |
| Total expense adjustments (decrease) | \$(572,827) |

Capital Projects

| | | | | |
|---|----------|----------|----------|----------------|
| - LED Streetlights/Public Works Fuel Tanks/Wayfinding Signs | | | | |
| | +50,000 | -10,000 | -40,000 | - |
| - Donaldson Drive/Expo Sign Changes/Construction Fencing | | | | |
| | +25,000 | -17,000 | -8,000 | - |
| - WWTP Upgrades/MWR Discharge Req./NDMP Program | | | | |
| | +400,000 | -100,000 | -300,000 | - |
| - Command 3 Vehicle | | | | (80,000) |
| - Fire Department Equipment | | | | 27,000 |
| - 19 th Street Service Upgrade | | | | 85,000 |
| - West Side Fire Protection | | | | (814,985) |
| - Public Works – 22 nd Street | | | | (952) |
| - 70 th Avenue Lots | | | | 65,041 |
| - Interfor Property Isolation | | | | (150,000) |
| - South Ruckle Revetment | | | | 950,000 |
| - SIIP Capital and Planning | | | | (700,000) |
| - DFA Recovery – Capital items | | | | 500,000 |
| - Dike Reconstruction – reallocated from expense | | | | 600,000 |
| - DMAF – Supplemental Consulting | | | | <u>525,750</u> |
| Total Capital Project adjustment | | | | \$1,006,854 |

The additional funding of \$283,811 which is required from reserves is for the following capital projects:

| | |
|------------------------------|-------------|
| WWTP upgrades | 376,820 |
| Dike reconstruction | \$ (80,800) |
| Interfor Property Isolation | (150,000) |
| SIIP Capital & Planning | (500,000) |
| DMAF Consulting | 525,750 |
| DFA Recovery Capital Items | 100,000 |
| 70 th Avenue Lots | 65,041 |
| Fire Department Fleet | (53,000) |

This amendment bylaw was introduced to the Committee of the Whole on September 3, 2019 and is presented here for first three readings.

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 increase the 2019 surplus by \$1,698,649, increase capital expenditures by \$1,006,854 and increase the net transfer out of reserves and surplus by \$134,224.

Policy/Legislation

Section 165 (2) of the *Community Charter*

Attachments

2019-2023 Financial Plan Amendment Bylaw, No. 2055-A1
Five Year Financial Plan Bylaw, 2019-2023, No. 2055

Recommendation

THAT Council gives first three readings to the 2019-2023 Financial Plan Amendment Bylaw, No. 2055-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: | Bylaw 2055-A1 Financial Plan Amendment.docx |
| Attachments: | - By2055-A1 - Five Year Financial Plan Amendment 2019-2023.pdf - By2055 - Establish Five-Year Financial Plan 2019-2023.pdf |
| Final Approval Date: | Sep 5, 2019 |

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

Diane Heinrich - Sep 5, 2019 - 11:05 AM