

Request for Decision



To: Committee of the Whole
From: Chief Financial Officer
Date: August 20, 2018
Subject: 2018-2022 Financial Plan Amendment Bylaw, No. 2045-A1
Recommendation: **RESOLVED THAT Council receives for introduction and discussion “2018-2022 Financial Plan Amendment Bylaw, No. 2045-A1” and refers the first three readings of the Bylaw to the September 4th, 2018 Regular Meeting of Council.**

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 is proposing to be made for capital projects.

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

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

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 \$999,152, an increase in expenses of \$1,602,965, and an increase in capital expenditures of \$501,200.

The annual water and sewer emergency repair fund will need to be increased by an estimated \$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

RESOLVED THAT Council receives for introduction and discussion “2018-2022 Financial Plan Amendment Bylaw, No. 2045-A1” and refers the first three readings of the Bylaw to the September 4th, 2018 Regular Meeting of Council.

Options

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

THE CORPORATION OF THE CITY OF GRAND FORKS

BYLAW NO. 2045-A1

A Bylaw to Amend the Five Year Financial Plan For the Years 2018 - 2022

Whereas pursuant to Section 165 of the *Community Charter*, "Five Year Financial Plan Bylaw, 2018-2022, No. 2045" was adopted on April 9, 2018, and

Whereas the financial plan may be amended by bylaw at any time;

Now therefore the Council of the Corporation of the City of Grand Forks, in open meeting assembled, enacts as follows:

1. Five Year Financial Plan Bylaw, 2018-2022, No. 2045 is hereby amended by deleting Schedules "B" and "C" in their entirety, and replacing them with Schedules "B" and "C" attached to and forming part of this bylaw.
2. This bylaw may be cited, for all purposes, as the "2018-2022 Financial Plan Amendment Bylaw, No. 2045-A1".

Read a first, second and third time by the Municipal Council this 4th day of September, 2018.

Finally adopted on this 24th day of September, 2018.

Mayor Frank Konrad

Corporate Officer Daniel Drexler

CERTIFICATE

I hereby certify the foregoing to be a true copy of Bylaw No. 2045-A1 as adopted by the Municipal Council of the City of Grand Forks on this 24th day of September, 2018.

Corporate Officer of the Municipal Council of the
City of Grand Fork

CORPORATION OF THE CITY OF GRAND FORKS
5 Year Financial Plan Amendment Bylaw No. 2045-A1
Schedule "B" Amended Five Year Financial Plan 2018-2022

	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
Revenues					
Property Taxes	\$ 3,804,524	\$ 3,918,660	\$ 4,036,220	\$ 4,157,307	\$ 4,282,026
Parcel and Frontage Taxes	161,226	161,226	161,226	5,826	5,826
Grants in Lieu of Taxes	17,147	17,661	18,191	18,737	19,299
Percentage of Revenue Tax	99,895	104,000	104,000	104,000	104,000
Sales of Services and User Fees	7,621,866	7,939,156	8,165,690	8,399,021	8,639,352
Grants	6,905,518	1,039,537	1,054,534	1,069,670	1,084,946
Other Revenues	877,300	412,300	412,300	412,300	412,300
Total Revenues	19,487,476	13,592,540	13,952,161	14,166,861	14,547,749
Expenses					
Purchases for resale	3,490,408	3,560,216	3,631,420	3,704,049	3,778,130
General Government	1,334,871	1,371,728	1,398,163	1,425,126	1,452,628
Protective Services	1,204,882	1,004,218	970,553	935,143	953,646
Transportation Services	2,256,315	1,225,341	1,249,848	1,274,845	1,300,341
Environmental & Health Services	236,145	240,868	245,685	250,599	255,611
Public Health Services	84,823	86,519	88,249	90,014	91,814
Planning and Development	426,900	406,768	404,173	411,726	419,430
Parks, Recreation and Cultural Services	1,696,305	1,604,771	1,629,640	1,628,007	1,653,882
Water Services	822,067	787,508	803,258	819,323	835,709
Electrical Services	674,674	688,167	701,930	715,969	730,288
Wastewater Services	700,468	714,477	728,767	743,342	758,209
Amortization	1,849,221	2,102,562	2,185,260	2,209,366	2,239,255
Debt Interest	132,727	188,987	163,262	161,015	160,926
Total Expenses	14,909,806	13,982,130	14,200,208	14,368,524	14,629,869
Surplus (Deficit) for the year	\$ 4,577,670	\$ (389,590)	\$ (248,047)	\$ (201,663)	\$ (82,120)
Adjusted for non-cash items					
Amortization	1,849,221	2,102,562	2,185,260	2,209,366	2,239,255
Total Cash from Operations	\$ 6,426,891	\$ 1,712,972	\$ 1,937,213	\$ 2,007,703	\$ 2,157,135
Adjusted for Cash Items					
Proceeds from Borrowing	1,534,854	-	-	-	-
Capital Expenditures	(11,698,582)	(2,344,000)	(2,259,000)	(2,639,000)	(2,429,000)
Debt Principal Repayments	(324,105)	(373,961)	(328,837)	(213,837)	(181,656)
Transfer from Reserves	5,266,083	2,344,000	2,259,000	2,639,000	2,429,000
Transfer to Reserves	(1,100,000)	(1,300,000)	(1,600,000)	(1,700,000)	(1,900,000)
Transfer to Surplus	(105,141)	(39,011)	(8,376)	(93,866)	(75,479)
	\$ (6,426,891)	\$ (1,712,972)	\$ (1,937,213)	\$ (2,007,703)	\$ (2,157,135)
Financial Plan Balance	\$ -	\$ -	\$ -	\$ -	\$ -

CORPORATION OF THE CITY OF GRAND FORKS
5 Year Financial Plan Amendment Bylaw No. 2045-A1
Schedule "C" - Amended Five Year Financial Plan 2018-2022

CAPITAL EXPENDITURES - 2018		FUNDED FROM											
		Amount	Capital	Electrical Capital	Water Capital	Equipment	Land Sales	Gas Tax	Climate Action	Slag	DEBT	GRANTS	OTHER
2017 Carry Forward Projects													
Silver Kettle Sidewalk	General	181,141	181,141										
Public Works Fuel Tanks	General	53,826	53,826										
Public Works Upgrades	General	20,000	20,000										
Public Works - 22nd Street	General	606,070									606,070		
Wayfinding Signs	General	65,000											
Airport AWOS Upgrade	General	42,298	10,574									31,724	
Expo Sign changes	General	35,000											12,000
Library HRV	General	12,000											
Emergency Repair Fund	General	10,914	10,914										
Flood Plain Mapping & Dike Restoration	General	117,500	50,000									67,500	
5 tonne Dump Truck	Fleet	250,000			250,000								
T-Tech trailer	Fleet	11,325			11,325								
Service Truck Replacement	Fleet	15,305	15,305										
Holder Replacement	Fleet	40,541			40,541								
Electrical Engineering	Electrical	30,367	30,367										
Electrical Voltage Conversion	Electrical	545,767	545,767										
Wastewater Treatment Plant UV	Sewer	437,932					145,977						
Headworks Grinder	Sewer	38,679					38,679					291,955	
Water/Sewer Scada	Sewer	2,854					2,854						
3rd Street Sewer Main Repair	Sewer	35,309	35,309										
Wastewater Treatment Plant Upgrades	Sewer	3,202,751	921,288									2,281,463	
Bio-Solids Land Application Plan	Sewer	25,000	25,000										
Sewer Phasing Plan	Sewer	78,500	13,345									65,155	
Water/Sewer Scada	Water	3,219					3,219						
5th Street Watermain Replacement	Water	41,152						41,152					
West Side Fire Protection	Water	923,932											(4,852)
Water Supply & Conservation	Water	10,000					10,000						
Subtotal 2017 Carry Forward Projects		6,836,382	1,912,836	-	10,000	301,866	190,729	41,152	-	100,000	1,534,854	2,737,797	7,148

CORPORATION OF THE CITY OF GRAND FORKS
5 Year Financial Plan Amendment Bylaw No. 2045-A1
Schedule "C" - Amended Five Year Financial Plan 2018-2022

CAPITAL EXPENDITURES - 2018		FUNDED FROM											
		RESERVES	Water		Climate		Slag		OTHER				
Description	Fund	Amount	Capital	Electrical Capital	Capital	Equipment	Land Sales	Gas Tax	Action	Slag	DEBT	GRANTS	OTHER
2018 New Projects													
City Park Campground Upgrade	General	70,000											
Data Collection Equipment	General	30,000											
Ball Diamond Rebuild to baseball specs	General	10,000											
LED Street Lighting	General	400,000						400,000					
Public Works Upgrades	General	45,000											
Facilities Review	General	10,000											
Annual Facility upgrades and replacement plan	General	15,000											
Annual Emergency Facility Fund	General	30,000											
Renewable energy program	General	25,000											
Replace Crosswalks in City Core	General	50,000						50,000					
Central Ave Sidewalk Replacement	General	40,000						40,000					
Bridge Approach Paving	General	20,000						20,000					
Annual Water and Sewer Emergency Repair Fund	General	100,000	50,000										50,000
7th Street Storm Sewer	General	10,000	10,000										
SolarNow Solar Panel Installation	General	65,000							40,000			25,000	
City Hall HVAC	General	7,500											
Flood Plain Risk Management & Protection	General	225,700											
Dike Reconstruction	General	2,406,000	682,000										225,700
Fleet replacement	Fleet	300,000	300,000										1,724,000
Electric Mower	Fleet	20,000								20,000			
Annual Low Impact Storm water Program	General	25,000											
Annual Electrical System Upgrade Programs	Electrical	100,000											
Fuse Coordination Study and Implementation	Electrical	15,000											
Electrical Master Plan	Electrical	35,000		35,000									
Granby Water Crossing / Yale Bridge water main	Water	10,000											
Interfor Property Isolation	Water	150,000											
Well 5 VFD	Water	50,000											
Shared Property (strata, trailers) Water Meters	Water	50,000											
Water service upgrade - City Park, 7th St., etc...	Water	125,000											
136 Sagamore/Airport Water Line Extension	Water	25,000											
Airport Water Main Looping	Water	75,000											
Water Main Airport	Water	128,000											
Sewer Main Relining	Sewer	60,000											
Lift Station Pumps	Sewer	25,000											
Granby River Force Main Crossing	Sewer	10,000											
MWR Discharge Requirements	Sewer	100,000											
Subtotal 2018 New Projects		4,862,200	2,019,500	35,000	35,000	20,000	-	560,000	40,000	-	-	2,102,700	50,000
TOTAL CAPITAL EXPENDITURES		11,698,582	3,932,336	35,000	45,000	321,866	190,729	601,152	40,000	100,000	1,534,854	4,840,497	57,148