

# Request for Decision



To: Committee of the Whole  
From: Chief Financial Officer  
Date: September 3, 2019  
Subject: 2019-2023 Financial Plan Amendment Bylaw, No 2055-A1  
Recommendation: **THAT the Committee of the Whole recommends to Council to give first three readings of the 2019-2023 Financial Plan Amendment Bylaw, No. 2055-A1 at the September 16th, 2019 Regular Meeting**

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## Background

Since the adoption of the five year financial plan on April 8<sup>th</sup>, 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 <sup>th</sup> Street Service Upgrade				85,000
- West Side Fire Protection				(814,985)
- Public Works – 22 <sup>nd</sup> Street				(952)
- 70 <sup>th</sup> 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 <sup>th</sup> Avenue Lots	65,041
Fire Department Fleet	(53,000)

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## **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

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## Recommendation

**THAT the Committee of the Whole recommends to Council to give first three readings of the 2019-2023 Financial Plan Amendment Bylaw, No. 2055-A1 at the September 16th, 2019 Regular Meeting**

## Options

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

# THE CORPORATION OF THE CITY OF GRAND FORKS

## BYLAW NO. 2055-A1

### A Bylaw to Amend the Five Year Financial Plan For the Years 2019 - 2023

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Whereas pursuant to Section 165 of the *Community Charter*, "Five Year Financial Plan Bylaw, 2019-2023, No. 2055" was adopted on April 8, 2019, 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, 2019-2023, No. 2055 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 "2019-2023 Financial Plan Amendment Bylaw, No. 2055-A1".

Read a first, second and third time by the Municipal Council this 16th day of September, 2019.

Finally adopted on this 7<sup>th</sup> day of October, 2019.

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Mayor Brian Taylor

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Corporate Officer Daniel Drexler

## CERTIFICATE

I hereby certify the foregoing to be a true copy of Bylaw No. 2055-A1 as adopted by the Municipal Council of the City of Grand Forks on this 7<sup>th</sup> day of October, 2019.

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

**CORPORATION OF THE CITY OF GRAND FORKS**  
**Five Year Financial Plan Amendment Bylaw No. 2055-A1**  
**Schedule "B" Five Year Financial Plan 2019-2023**

	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget
<b>Revenues</b>					
Property Taxes	\$ 3,805,354	\$ 3,919,515	\$ 4,037,100	\$ 4,158,213	\$ 4,282,959
Parcel and Frontage Taxes	160,349	161,226	5,826	5,826	-
Grants in Lieu of Taxes	18,400	18,952	19,521	20,107	20,710
Percentage of Revenue Tax	106,323	106,323	106,323	106,323	106,323
Sales of Services and User Fees	7,744,758	7,980,455	8,207,587	8,441,533	8,680,471
Grants	19,005,577	12,684,691	8,462,412	9,570,198	7,645,657
Other Revenues	4,906,543	465,243	422,743	422,743	422,743
<b>Total Revenues</b>	<b>35,747,304</b>	<b>25,336,405</b>	<b>21,261,512</b>	<b>22,724,943</b>	<b>21,158,863</b>
<b>Expenses</b>					
Purchases for resale	3,362,785	3,430,041	3,498,642	3,568,614	3,639,986
General Government	1,439,487	1,324,817	1,350,653	1,377,006	1,463,886
Protective Services	974,416	894,560	912,251	930,296	948,702
Flood Response & Recovery	128,500	65,535	-	-	-
Transportation Services	1,813,684	1,350,157	1,377,160	1,404,704	1,432,798
Environmental & Health Services	259,160	264,343	269,630	275,023	280,523
Public Health Services	73,230	74,695	76,189	77,713	79,267
Planning and Development	726,900	697,968	507,217	517,161	527,304
Parks, Recreation and Cultural Services	1,436,824	1,380,914	1,381,612	1,408,844	1,436,621
Water Services	789,430	835,819	852,535	869,586	886,978
Electrical Services	714,700	779,994	795,594	811,506	827,736
Wastewater Services	701,960	726,199	740,723	755,537	770,648
Amortization	1,965,338	2,216,142	2,231,602	2,234,111	2,240,755
Debt Interest	143,676	120,085	117,222	117,100	117,100
<b>Total Expenses</b>	<b>14,530,090</b>	<b>14,161,269</b>	<b>14,111,030</b>	<b>14,347,201</b>	<b>14,652,304</b>
<b>Surplus (Deficit) for the year</b>	<b>\$ 21,217,214</b>	<b>\$ 11,175,136</b>	<b>\$ 7,150,482</b>	<b>\$ 8,377,742</b>	<b>\$ 6,506,559</b>
<b>Adjusted for non-cash items</b>					
Amortization	1,965,338	2,216,142	2,231,602	2,234,111	2,240,755
<b>Total Cash from Operations</b>	<b>\$ 23,182,552</b>	<b>\$ 13,391,278</b>	<b>\$ 9,382,084</b>	<b>\$ 10,611,853</b>	<b>\$ 8,747,314</b>
<b>Adjusted for Cash Items</b>					
Proceeds from Borrowing	75,179	-	-	-	-
Capital Expenditures	(27,974,325)	(14,037,124)	(9,398,852)	(10,526,253)	(8,609,683)
Inventory Expenditures	(50,000)				
Debt Principal Repayments	(352,847)	(261,689)	(150,140)	(115,157)	(115,157)
Transfer from Reserves	6,414,348	2,594,750	2,014,000	2,049,000	2,072,500
Transfer to Capital Reserves	(1,100,000)	(1,600,000)	(1,800,000)	(2,000,000)	(2,000,000)
Transfer to/from Operating Reserves	(4,096)	(15,000)	(15,000)	(15,000)	(15,000)
Transfer to Surplus	(190,811)	(72,215)	(32,092)	(4,443)	(79,974)
	<b>\$ (23,182,552)</b>	<b>\$ (13,391,278)</b>	<b>\$ (9,382,084)</b>	<b>\$ (10,611,853)</b>	<b>\$ (8,747,314)</b>
<b>Financial Plan Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**CORPORATION OF THE CITY OF GRAND FORKS**  
**5 Year Financial Plan Amendment Bylaw No. 2055-A1**  
**Schedule "C" - Five Year Financial Plan 2019-2023**

CAPITAL EXPENDITURES - 2019			FUNDED FROM				
			Reserves	Land Sales		Debt	Grants
Description	Fund	Amount		Reserve			
<b>2018 Carry Forward Projects</b>							
Silver Kettle Sidewalk	General	26,454	26,454				
Public Works Fuel Tanks	General	82,754	82,754				
Public Works - 22nd Street	General	31,769	-		31,769		
Wayfaring Signs	General	13,750	13,750				
Airport AWOS Upgrade	General	8,377	2,095			6,282	
Expo Sign changes	General	6,000	6,000				
Library HRV	General	12,000	-				12,000
Flood Plain Mapping & Risk Assessment	General	90,160	38,366			51,794	
City Park Campground Upgrade	General	70,000	70,000				
Data Collection Equipment	General	24,661	24,661				
LED Street Lighting	General	189,700	189,700				
Public Works Upgrades	General	6,409	6,409				
Facilities Review	General	10,000	10,000				
Annual Facility upgrades and replacement plan	General	15,000	15,000				
Renewable energy program	General	25,000	25,000				
Central Ave Sidewalk Replacement	General	11,550	11,550				
7th Street Storm Sewer	General	10,000	10,000				
SolarNow Solar Panel Installation	General	38,500	22,232			16,268	
City Hall HVAC	General	7,500	7,500				
Flood Plain Risk Management & Protection	General	172,628	-			172,628	
Dike Reconstruction	General	3,006,000	601,200				2,404,800
Annual Low Impact Storm water Program	General	25,000	25,000				
Annual Emergency Facility Fund	General	30,000	30,000				
Fleet replacement	Fleet	285,900	285,900				
Electric Mower	Fleet	20,000	20,000				
Service Truck Replacement	Fleet	15,300	15,300				
Electrical Engineering	Electrical	30,367	30,367				
Annual Electrical System Upgrade Programs	Electrical	100,000	100,000				
Fuse Coordination Study and implementation	Electrical	15,000	15,000				
Electrical Master Plan	Electrical	35,000	35,000				
5th Street Watermain Replacement	Water	25,600	25,600				
West Side Fire Protection	Water	43,410	-		43,410		
Water Supply & Conservation	Water	10,000	10,000				
Granby Water Crossing / Yale Bridge water main	Water	10,000	10,000				
Well 5 VFD	Water	40,000	40,000				
Shared Property (strata, trailers) Water Meters	Water	28,130	28,130				
Water service upgrade - City Park, 7th St., etc...	Water	120,903	120,903				
136 Sagamore/Airport Water Line Extension	Water	25,000	25,000				
Airport Water Main Looping	Water	60,459	60,459				
Water Main Airport	Water	128,000	-			128,000	
Sewer Main Relining	Sewer	58,785	58,785				
Granby River Force Main Crossing	Sewer	7,160	7,160				
Wastewater Treatment Plant UV	Sewer	427,295	-	142,432		284,863	
3rd Street Sewer Main Repair	Sewer	35,300	35,300				
Wastewater Treatment Plant Upgrades	Sewer	2,957,242	1,211,550			1,745,692	
Bio-Solids Land Application Plan	Sewer	25,000	25,000				
<b>Subtotal 2018 Carry Forward Projects</b>		<b>8,417,063</b>	<b>3,377,125</b>	<b>142,432</b>	<b>75,179</b>	<b>2,405,527</b>	<b>2,416,800</b>

**CORPORATION OF THE CITY OF GRAND FORKS**  
**5 Year Financial Plan Amendment Bylaw No. 2055-A1**  
**Schedule "C" - Five Year Financial Plan 2019-2023**

CAPITAL EXPENDITURES - 2019			FUNDED FROM				
Description	Fund	Amount	Land Sales				
			Reserves	Reserve	Debt	Grants	Other
<b>2019 New Projects</b>							
Library Roof Repairs	General	250,000	250,000				
Library Feasibility Study	General	16,000	16,000				
Facility Security Systems	General	50,000	50,000				
Printers and IT Equipment	General	70,000	70,000				
Construction Fencing	General	7,000	7,000				
Downtown Sidewalk Drops	General	15,000	15,000				
Storm Water Management Plan	General	60,000	60,000				
Bridge Repairs	General	50,000	50,000				
Donaldson Drive Repairs	General	25,000	25,000				
Land Purchase	General	65,041		65,041			
Fire Department Equipment	General	27,000	27,000				
Recloser for FDR 5	Electrical	30,000	30,000				
Electrical System Upgrades	Electrical	50,000	50,000				
Valley Heights - Transformers	Electrical	60,000	60,000				
Pole Changes - FDR 3 & 5/19th Street	Electrical	20,000	20,000				
19th Street Service Upgrade	Electrical	85,000					85,000
Three Phase Meter Change	Electrical	40,000	40,000				
Galvanized Main Replacement	Water	50,000	50,000				
Inflow & Infiltration Study	Sewer	50,000	50,000				
Industrial Lift Station Rebuild	Sewer	300,000	300,000				
Inspection Chamber Installations	Sewer	10,000	10,000				
City Park Pump Replacement	Sewer	90,000	90,000				
Flood Alert Sewer Monitoring	Various	24,000	24,000				
Emergency Repair Funds	Sewer	160,000	160,000				
Emergency Gaps Funding	General	250,000	250,000				
SIIP Capital and Planning	General	400,000	300,000				100,000
South Ruckle Revetment	General	950,000					950,000
DMAF Supplemental Consulting	General	525,750	525,750				
DFA Recovery - Capital Items	General	500,000	100,000				400,000
Disaster Mitigation & Adaptation	General	15,327,471	200,000			15,127,471	
<b>Subtotal 2019 New Projects</b>		<b>19,557,262</b>	<b>2,829,750</b>	<b>65,041</b>	<b>-</b>	<b>15,127,471</b>	<b>1,535,000</b>
<b>TOTAL CAPITAL EXPENDITURES</b>		<b>27,974,325</b>	<b>6,206,875</b>	<b>207,473</b>	<b>75,179</b>	<b>17,532,998</b>	<b>3,951,800</b>