

February 11, 2019

2019-2023 Financial Plan



2019-2023 Financial Plan Presentation

Council & Staff

- Review scoring of priority capital projects

Public Works

- 2019 Operating Budgets

Chief Financial Officer

- 2019 Grants
- 2019 Revenues
- 2019-2023 Draft Financial Plan



2019-2023 FINANCIAL PLAN SCHEDULE - UPDATE

<i>Date</i>	<i>Forum</i>	<i>Description</i>
January 28, 2019	Council Workshop	Capital Budget Presentations by Management
February 4, 2019	Council Workshop	Operations budget presentations by management
February 11, 2019	Council Workshop	Outside Works Operations Review Council project selections Review revenue requirements and tax rates
February 19, 2019	Council Workshop	Potential workshop for further review of revenues and expenses, if required
March 11, 2019	COTW	Introduce 2019-2023 Financial Plan Bylaw
March 25, 2019	Regular Council Meeting	1 st , 2 nd and 3 rd reading 2019-2023 Financial Plan Bylaw
April 8, 2019	COTW	Introduce 2019 Tax Rates Bylaw
April 8, 2019	Regular Council Meeting	Adopt 2019-2023 Financial Plan Bylaw
April 23, 2019	Regular Council Meeting	1 st , 2 nd and 3 rd readings 2019 Tax Rates Bylaw
May 6, 2019	Regular Council Meeting	Adopt 2019 Tax Rates Bylaw
May 15, 2019		Deadline to adopt 2019-2023 Financial Plan Bylaw and Tax Rates Bylaw

2019-2023 FINANCIAL PLAN SCHEDULE

- COMMITTEE OF THE WHOLE
- MARCH 11, 2019
 - Introduce 2019-2023 Financial Plan Bylaw

2019-2023 FINANCIAL PLAN SCHEDULE

- NEXT COUNCIL WORKSHOP
- FEBRUARY 19 – 1:30 PM
 - Review expenditures and property tax revenue requirements

COUNCIL PROJECT SCORING

	# Votes
Industrial Lift Station Rebuild	4
Security Systems	4
Construction Fencing	3
Library Roof	3
Printers and IT equipment replacements	3
Galvanized Main Replacement	2
Recloser for FDR 5	2
Sustainable Infrastructure Investment Planning	1
Downtown Sidewalk Drops	1
Bridge Repairs	1
Inspection Chamber Installation	1
City Park Pump replacement	1
Valley Heights – Transformers	1
Command Vehicle Replacement	1
Storm Water Management Plan	
Inflow and Infiltration Study	
Flood Alert Sewer Monitoring	
Electrical System Upgrades	
Pole Changes – FDR 3 & 5	
Total Selections Made	28

OPERATING BUDGETS OUTSIDE WORKS

Operating Budgets



2019 REVENUES - GRANTS

- OPERATING GRANTS

- Small Communities Protection ~ \$508,000
- Rural Dividend Fund 180,000
- Municipal Insurance Association 5,160
- Climate Action (CARIP) ~ 9,000

- CAPITAL PROJECT GRANTS – APPROVED

- Community Works Gas Tax \$233,000
- AWOS 6,282
- Solar Now 16,268
- Wastewater Treatment Plant UV 284,863
- Wastewater Treatment Plant Upgrades 2,122,512
- Flood Plain Mapping & Risk Assessment 51,794
- Flood Plain Risk Assessment & Protection 172,628
- DFA & EOC – Dike Reconstruction & Upgrades 1,724,000
- Airport Water Main 128,000

- CAPITAL PROJECT GRANTS – PENDING APPLICATION

- Disaster Mitigation & Adaptation Fund \$15,127,471

REVENUES

GENERAL FUND

	ACTUAL 2018	PLAN 2019
General Fund Revenues		
Property taxes	3,805,740	3,805,740
Parcel & frontage taxes	155,006	155,000
Grants and Payments in Lieu		
Grants in Lieu	16,626	16,627
1% Utility	99,895	106,323
Fees and Charges		
Franchise Fees	63,958	64,000
Slag Sales	199,426	220,000
Solid Waste Collection	230,116	262,660
Airport	108,888	83,850
Cemetery	23,461	21,500
Campground	6,717	60,000
Business Licences & Municipal Ticketing	30,800	30,500
Land Development	42,299	37,000
Building Rentals & Leases	111,907	125,406
Miscellaneous Fees & Charges	9,576	1,000
Operating Grants & Donations		
Small Communities Operating Grant	503,246	508,000
Other Operating Grants	30,117	1,194,160
Rural Fire Recovery	290,224	298,532
Donations	61,165	40,000
Capital Grants		
Community Works Gas Tax	231,206	233,000
Other Capital Grants	107,951	1,970,972
Other Revenues		
Other Recoveries	1,134,581	524,500
Investment Income	121,765	102,280
Penalties & interest	185,976	156,463
Gain on Sale of Assets	224,986	-
Total General Fund Revenues	7,795,632	10,017,513

REVENUES

OTHER FUNDS

	ACTUAL 2018	PLAN 2019
Water Utility Revenues		
Fees and Charges	907,825	941,255
Other Recoveries	35,161	-
Capital Grants	-	128,000
Other Revenues	4,667	4,500
Total Water Utility Revenues	947,653	1,073,755
Electrical Utility Revenues		
Fees and Charges	5,612,697	5,052,207
Other Recoveries	16,563	
Capital Grants	-	
Other Revenues	26,110	26,000
Total Electrical Utility Revenues	5,655,370	5,078,207
Wastewater Utility Revenues		
Parcel & frontage taxes	6,041	6,041
Fees and Charges	898,833	910,000
Other Recoveries	-	
Capital Grants	608,017	2,407,375
Other Revenues	23,950	5,500
Total Wastewater Utility Revenues	1,536,841	3,328,916
Total Revenues	15,935,496	19,498,391

2019-2023 DRAFT FINANCIAL PLAN

2019 BUDGET ASSUMPTIONS

- Actual amounts where known, or best estimate
- Property taxation revenues
 - No increase
- Utility revenues
 - Water revenues - 3.7% increase from 2018 actuals
 - Wastewater revenues – 1.2% increase from 2018 actuals; review of fee structure pending
 - \$2 per month increase in solid waste collection fees
 - 0% increase in electrical rates

2019-2023 DRAFT FINANCIAL PLAN

5 YEAR PLAN ASSUMPTIONS

- Tax revenue increase of 3% 2020-2023
- Fees & charges increase of 3% 2020-2023
- Expense increase of 2% for 2020-2023
- Amortization – estimate; will change after 2018 actuals calculated

2019 Draft Budget –Recap

Changes made since last presentation

- Expenses
 - \$1,900 increase to Fire expenses and Regional District recovery; net expense the same
 - Included recovery centre operations \$128,500
- Capital Projects
 - Added \$300,000 for SIIP operations portion

CORPORATION OF THE CITY OF GRAND FORKS

CONSOLIDATED SUMMARY

0% INCREASE IN TAX REVENUES FOR 2019

	Draft					
	2018 Actual	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan
REVENUES						
Property Taxes	\$ 3,805,740	\$ 3,805,740	\$ 3,919,912	\$ 4,037,509	\$ 4,158,634	\$ 4,283,393
Frontage and Parcel Taxes	161,047	161,041	161,226	5,826	5,826	-
Grants and Payments in Lieu	16,626	16,627	17,126	17,640	18,169	18,714
% of Revenue Tax	99,895	106,323	106,323	106,323	106,323	106,323
Fees and charges	8,246,503	7,809,378	8,032,202	8,260,885	8,496,431	8,737,015
Grants	1,770,761	6,740,039	1,234,482	1,069,569	1,084,796	1,100,165
Other Revenues	1,834,924	859,243	410,243	367,743	367,743	367,743
Total Revenues	15,935,496	19,498,391	13,881,514	13,865,495	14,237,922	14,613,353
EXPENSES						
Purchases for resale	3,806,025	3,419,715	3,488,109	3,557,871	3,629,028	3,701,608
Operating Expenses						
General Government	1,127,184	1,409,487	1,294,217	1,319,441	1,345,169	1,431,412
Protective Services	870,010	921,416	894,560	912,251	930,296	948,702
Flood Response & Recovery	559,287	128,500	65,535	-	-	-
Transportation Services	2,575,028	2,723,684	1,350,157	1,377,160	1,404,704	1,432,798
Environmental & Health Services	245,383	259,160	264,343	269,630	275,023	280,523
Public Health Services	45,435	73,230	74,695	76,189	77,713	79,267
Planning and Development	324,433	776,900	697,968	507,217	517,161	527,304
Parks, Recreation and Cultural Services	906,042	1,024,950	1,046,120	1,066,643	1,087,576	1,108,928
Public Real Estate	238,413	314,200	319,964	299,843	305,840	311,957
Water Services	658,969	809,430	825,619	842,131	858,974	876,153
Electrical Services	499,214	714,700	728,994	743,574	758,445	773,614
Wastewater Services	698,214	711,960	726,199	740,723	755,537	770,648
Capital Projects		(300,000)				
Amortization	1,898,100	1,919,967	2,249,179	2,268,309	2,268,056	2,262,220
Interest	134,259	162,491	156,956	154,093	153,971	153,971
Total Operating Expenses	14,585,996	15,069,790	14,182,615	14,135,075	14,367,493	14,659,105
Surplus (Deficit) for the year	\$ 1,349,500	\$ 4,428,601	\$ (301,101)	\$ (269,580)	\$ (129,571)	\$ (45,752)

**CORPORATION OF THE CITY OF GRAND FORKS
CONSOLIDATED SUMMARY
0% INCREASE IN TAX REVENUES FOR 2019**

	Draft					
	2018 Actual	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan
Adjusted for non-cash items						
Amortization	1,898,100	1,919,967	2,249,179	2,268,309	2,268,056	2,262,220
Inventory additions		(50,000)				
Total Cash from Operations	\$ 3,247,600	\$ 6,298,568	\$ 1,948,078	\$ 1,998,729	\$ 2,138,485	\$ 2,216,468
Allocations						
Debt proceeds	643,739	891,116	-	-	-	-
Capital expenditures	(2,956,054)	(11,824,000)	(2,559,000)	(1,914,000)	(2,514,000)	(2,014,000)
Debt principal repayment	(357,405)	(352,847)	(310,848)	(199,299)	(164,316)	(164,316)
Transfer from reserves	1,535,666	6,114,537	2,559,000	1,914,000	2,514,000	2,014,000
Transfer to capital reserves	(2,000,000)	(1,100,000)	(1,600,000)	(1,700,000)	(1,900,000)	(2,000,000)
Transfer to/from Operating Reserves		(4,096)	(15,000)	(15,000)	(15,000)	(15,000)
Net from operations	(113,546)	(23,278)	(22,230)	(84,430)	(59,169)	(37,152)
	\$ (3,247,600)	\$ (6,298,568)	\$ (1,948,078)	\$ (1,998,729)	\$ (2,138,485)	\$ (2,216,468)
Financial Plan Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

RESERVE CONTINUITY

Opening Reserve Balance	6,141,950	6,822,311	1,807,774	848,774	634,774	20,774
Transfer out for capital	(1,535,666)	(6,114,537)	(2,559,000)	(1,914,000)	(2,514,000)	(2,014,000)
Transfer out for operating						
Transfer in from current operating	816,027	1,100,000	1,600,000	1,700,000	1,900,000	2,000,000
Transfer in from prior surplus	1,400,000					
Closing Reserve Balance	6,822,311	1,807,774	848,774	634,774	20,774	6,774

DEBT SERVICING

CITY OF GRAND FORKS DEBT SERVICING

			2019	2020	2021	2022	2023
EXISTING DEBT							
General	Roads	Principal	41,646				
Bylaw 1863	\$500,000; 10 years; Oct 2019	Interest	20,650				
General	Northwest 79th	Principal	3,496	3,496	3,496	3,496	3,496
Bylaw 1887	\$70,000; 15 years; Oct 2025	Interest	2,611	2,611	2,611	2,611	2,611
General	Fire Truck	Principal	142,751	146,532	34,983		
Equipment	\$722,518; 5 years; Feb 2021	Interest	6,766	2,985	122		
Sewer	Ruckle Substation	Principal	6,495				
Bylaw 1498	\$195,944; 30 years; Jun 2019	Interest	2,057				
Sewer	City Park Lift Station	Principal	59,000	59,000	59,000	59,000	59,000
Bylaw 1873	\$1,756,920; 30 years; Sep 2033	Interest	67,641	67,641	67,641	67,641	67,641
Water	Emergency water for fire protection	Principal	22,447	46,147	46,147	46,147	46,147
Bylaw 1950	\$1,239,985 estimated 2019	Interest	17,886	37,943	37,943	37,943	37,943
General	Capital renewal	Principal	53,787	38,883	38,883	38,883	38,883
Bylaw 1998	\$1,098,592 estimated 2019	Interest	31,344	31,971	31,971	31,971	31,971
Water	Capital renewal	Principal	12,736	9,207	9,207	9,207	9,207
Bylaw 1998	\$260,129 estimated 2019	Interest	7,422	7,570	7,570	7,570	7,570
Sewer	Capital renewal	Principal	10,489	7,583	7,583	7,583	7,583
Bylaw 1998	\$214,243 estimated 2019	Interest	6,113	6,235	6,235	6,235	6,235
Total principal			352,847	310,848	199,299	164,316	164,316
Total interest			162,491	156,956	154,093	153,971	153,971
Total debt payments			515,338	467,805	353,393	318,288	318,288

2019-2023 FINANCIAL PLAN

- COMMENTS/FOR DISCUSSION
 - Fee for service increases
 - Tax revenues
 - Interim debt repayments
 - DMAF grant – include?
 - Development Cost Charges – to fund SIIP?

QUESTIONS

