



STAFF REPORT

Meeting Date: March 27, 2023

Title: Amendment to the 2023 Budget – March 2023

Prepared By: Steven Lansdell-Roll

Department: Finance

Report Number: Finance-2023-012

Recommendation:

THAT Council approves an amendment to the 2023 Budget.

Background:

In accordance with S. 290 of the Municipal Act, Council adopted the 2023 Budget back on February 2, 2023 (By-Law 2023-1).

Any amendments to that budget must be approved by Council.

Discussion:

Capital Plan Changes

The following are the recommended amendments to the 2023 Capital Plan:

1. Water Treatment Plant (WTP) - Launder Replacement
 - Already included in the 2023 Capital Plan is the WTP – Filter Piping Replacement.
 - After beginning the work preparing for the filter piping replacement, E.S.FOX (the contractor hired to replace the filter piping), found significant holes and thinness in the launders when cleaning them.
 - Based on the condition of the Launders, it is recommended to replace them with newly fabricated ones.



- The revised 2023 Capital Plan would now include the WTP – Launderers Replacement project, budgeted at \$86,000. The \$86,000 would be fully funded from 2023 Water Rate Revenues. 2023 Water Rate Revenues would now fund \$768,000 in capital work (was \$682,000) and fund a \$419,537 allocation to the Waterworks Reserve Fund (was \$505,537).

2. Recreation Centre Mechanical Retrofit - ICIIP Application Phase 2

- The Original 2023 Capital Plan called for the use of \$347,875 in Land Sale Reserve funds for this project.
- The Revised 2023 Capital Plan now calls for the use of \$347,875 in NWMO NTI funds, thus freeing up the \$347,875 for other use (see Quint Replacement project below).
- As this is strictly a reallocation of funds, there is no impact to the 2023 funding requirements out of Operations.

3. Recreation Centre Mechanical Retrofit - ICIIP Application Phase 3

- The Original 2023 Capital Plan called for the use of \$425,500 in Federal Gas Tax (CCBF) funds for this project.
- The Original 2023 Capital Plan called for the use of \$277,550 in Land Sale Reserve funds for this project.
- The Revised 2023 Capital Plan now calls for the use of \$703,050 in NWMO NTI funds, thus freeing up the \$277,550 in Land Sale Reserve funds for other use (see Quint Replacement project below) and the \$425,500 in Federal Gas Tax for a future eligible capital project.
- As this is strictly a reallocation of funds, there is no impact to the 2023 funding requirements out of Operations.

4. Dryden Fire Hall 2 Renovations

- The Original 2023 Capital Plan called for the use of \$21,875 in Tax Supported Capital Reserve funds for this project.
- The Revised 2023 Capital Plan now calls for the use of \$21,875 in NWMO NTI funds, thus freeing up the \$21,875 for other use (see Quint Replacement project below).
- As this is strictly a reallocation of funds, there is no impact to the 2023 funding requirements out of Operations.

5. Library Accessible Washroom Upgrade

- The Original 2023 Capital Plan called for the use of \$5,000 in Tax Supported Capital Reserve funds for this project.
- The Revised 2023 Capital Plan now calls for the use of \$5,000 in NWMO NTI funds, thus freeing up the \$5,000 for other use (see Quint Replacement project below).
- As this is strictly a reallocation of funds, there is no impact to the 2023 funding requirements out of Operations.

6. Airport Terminal Washroom Update

- The Original 2023 Capital Plan called for the use of \$17,040 in Land Sale Reserve funds for this project.
- The Revised 2023 Capital Plan now calls for the use of \$17,040 in NWMO NTI funds, thus freeing up the \$17,040 for other use (see Quint Replacement project below).

- As this is strictly a reallocation of funds, there is no impact to the 2023 funding requirements out of Operations.
7. Van Horne Landing Dock Repairs
 - The Original 2023 Capital Plan called for the use of \$47,325 in Waterfront Development Reserve funds for this project.
 - The Revised 2023 Capital Plan now calls for the use of \$47,325 in NWMO NTI funds, thus freeing up the \$47,325 for other future waterfront development projects.
 - As this is strictly a reallocation of funds, there is no impact to the 2023 funding requirements out of Operations.
 8. Fire Hall 1 Rooftop Heating & Cooling Unit Replacement
 - The Original 2023 Capital Plan called for the use of \$26,250 in Tax Supported Capital Reserve funds for this project.
 - The Revised 2023 Capital Plan now calls for the use of \$26,250 in NWMO NTI funds, thus freeing up the \$26,250 for other use (see Quint Replacement project below).
 - As this is strictly a reallocation of funds, there is no impact to the 2023 funding requirements out of Operations.
 9. Quint Replacement
 - From a Fire Underwriters perspective, Fire Apparatus older than 20 years have no credit in insurance grading.
 - Our current Quint is a 2003 apparatus, so we need to replace it in 2024 to maintain our Fire Underwriters insurance grading.
 - Based on supply chain issues, a newly ordered fire apparatus will take 25-36 months to get here.
 - The Dryden Fire Service is investigating the purchase of a demo (built) or in production Quint, to avoid the supply chain issue.
 - We therefore need to move up the Quint replacement timeline into our 2023 Capital Plan.
 - The Revised 2023 Capital Plan calls for the use of \$677,835 in NWMO NTI funds and \$822,165 in Reserve Funds (\$642,465 from the Land Sale Reserve fund and \$179,700 from the Tax Supported Capital Reserve fund).

Financial Implications:

- Financial implications noted above.

Attachments (Reference Material):

- Revised 2023 Budget Schedule B