REQUEST FOR DECISION (RFD)

Date: December 10, 2024

To: His Worship Mayor Milligan and Members of Council

From: Bryn Burditt, Director of Finance

Subject: Amendment to the Five-Year Financial Plan (2024-2028) Bylaw No. 2510, 2024

RECOMMENDATION

THAT 2024-2028 Five Year Financial Plan Bylaw No. 2510, Amendment Bylaw No.2525, 2024 be given first, second and third readings.

PURPOSE

The Five-Year Financial Plan (2024-2028) Bylaw No. 2510, 2024 was adopted on April 16, 2024. Included in the Five-Year Financial Plan are the City of Fernie's 2024 Capital, Utility and Operating Budgets. The following budget amendments are for the 2024 Capital Budget of the City of Fernie.

After the adoption of the Five-Year Financial Plan, one updated project was approved by Council. This project and its related resolution are described in greater detail in the Background section of this report.

In addition, staff are continuing to improve on current purchasing practices for 2025 capital items. In this report are larger capital items for which staff are looking to begin the purchasing process immediately. This will help staff to gain comfort that vendors will have enough time to deliver these items in 2025 and will also help the City obtain the best possible price.

These larger capital items were all approved as part of the 2024 budget cycle as year-2 items. Staff are bringing these before Council again to a) update the price with our best estimate, and b) confirm Council's support with these purchases for early-2025.

BACKGROUND

Administrative items

At the January 9th & August 27th meetings, Council approved approximately $51,000 for an external contract for performance review and negotiation costs.

Reviewed by:			
Chief Administrative Officer	Corporate Officer	Director of Finance	Other:

This $51,000 was recommended to be funded from the Financial Stability Operating Reserve.

Coal Creek Utility Crossing Repairs

At the Council meeting on April 23, 2024, Council approved the following:

> Coal Creek Utility Crossing Repairs and Replacement Plan. Report from Project Engineer.
>
> Moved
> Seconded
>
> *THAT Council approve budget increase of $64,000.00 to the Coal Creek Crossings project to allow for 2024 repairs to the utility lines to be funded from reserves; and*
>
> *THAT staff be directed to amend the Financial Plan accordingly.*
>
> CARRIED

The additional $64,000 was recommended to be funded from the Water & Sewer reserve equally.

Year-2 (2025) Capital Plan

The intent of this report is to refresh, for Council, a few larger capital items that were intended to be purchased in 2025 at the time of the 2024 financial plan approval. The items that staff are recommending beginning the purchasing process in January are as follows:

- Winter Sand Shelter – Design/Construction ($350,000)
- Annual Roads Rehabilitation Program – early tender for competitive pricing ($1,400,000)
- Fairy Creek Source Upgrades (additional $33,000)
- Elko Gravel Pit – Winter Sand crushing ($50,000)

New prioritized projects for 2025

- C&L ROW Design Review and re-costing ($30,000) – to be initiated as soon as possible, supporting Federal Affordable Housing Infrastructure Funding Grant Application.
- IICP Update – updating project list, project pricing. Updating available data to better inform our 5- and 20-year capital plan ($40,000)

After the above 6 projects that include amendments for 2025, the amended 2025 capital expenditures is $17,930,565 (original of $16,425,565), and transfers from reserve funds is $6,503,054 (original of $4,998,054).

Draft 2025 budget schedule

2025-2029 Financial Plan Tentative Timeline		
Date	**Meeting**	**Budget Component**
October 22, 2024	Regular Council Meeting	Policies and Development Guidelines
November 26, 2024	Regular Council Meeting	Mid-budget-process check-in 20-year reserve projections - draft tax rate
Late January / Early Feb 2025	Special Meetings of Council	Department Overview and Operating Budget
Late January / Early Feb 2025	Special Meetings of Council	5-Year Capital Plan
Mid-February 2025	Public Open House (Senior's Centre)	Public input 6:00 pm to 8:00 pm
February 25, 2025	Regular Council Meeting	Draft 1 Financial Plan
March 11, 2025	Regular Council Meeting	1st & 2nd readings
March 18, 2025	Special Meeting of Council	3rd reading
March 25, 2025	Regular Council Meeting	Adoption

INTERNAL CIRCULATION

This report has been reviewed by the CAO and Leadership Team

LEGAL/STATUTORY AUTHORITY

N/A

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS

N/A

COMPLIANCE WITH CORPORATE STRATEGIES & POLICIES

A year-two budget review process was initiated by the Finance Department as an early initiative to improve business modernization and achieve better project delivery opportunities for all departments.

Further, specific projects listed in this report are intended specifically to advance Council's strategic objectives and goals, including pursuing opportunities to address our infrastructure deficit (C&L ROW) and enhance asset awareness and financial forecasting (IICP update.)

The remaining projects represent recommendations to continue advancing progress on important needs to ensure sustainable service delivery.

FINANCIAL/BUDGETARY CONSIDERATIONS

The proposed 2025 budget amendments have no immediate tax impact.

PERSONNEL IMPLICATIONS

N/A

EXTERNAL AGENCY/PUBLIC COMMENTS

N/A

COMMUNICATION CONSIDERATIONS

N/A

OPTIONS

1. Give the Bylaw Amendment first, second and third reading.
2. Defeat or defer reading of the bylaw amendment pending further review.

CONCLUSION

Staff recommend that Council approve the Capital Budget amendments to the 2024-2028 Five Year Financial Plan.

Respectfully submitted,

Bryn Burditt, Director of Finance

Attachments:

- 2024-2028 Five Year Financial Plan Bylaw No. 2510, Amendment Bylaw No.2525, 2024