



THE CORPORATION OF THE CITY OF VERNON

**INTERNAL MEMORANDUM**

**TO:** Mayor and All Councillors

**FILE:**

**DATE:** January 14, 2005

**FROM:** Manager Finance

**SUBJECT:** 2005 AMENDED FINANCIAL PLAN

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Council has adopted bylaw 4894, the Financial Plan for 2005. Council has also approved the establishment of an Assisted Living Reserve Fund and the use of a portion of the Local Improvement Fund for the cost of demolition of the buildings on the recently purchased "Coldstream Hotel" site. Neither of these items were provided for in the Financial Plan.

Council is requested to give first, second and third reading to bylaw number 4901 to provide for these amendments. Specifically, these items affect the original budget as follows:

**1. Assisted Living Reserve:**

**2005**

Decrease General Fund capital expenditures by \$120,000 to delete the generators, and;  
Decrease the Policing costs by \$50,000, and;  
Reallocate \$330,000 from the Policing Reserve to a new Assisted Living Reserve (this item does not effect the Financial Plan as it does not change the revenues or expenditures), and;  
Increase the Transfer to Reserves by \$170,000 to bring the reserve balance to \$500,000.

**2006 to 2009**

Increase the tax revenue by ½ of 1% to provide for funds to add to the Assisted Living Reserve, and;  
Increase Transfers to reserve by an equal amount to build the reserve to the required \$1,000,000 level by 2009.

**2. Demolition Costs**

For 2005 increase the revenues (transfer from special funds) by \$247,000 and increase the capital expenditures by \$247,000.

The 2004 budget amounts have also been adjusted to reflect the purchase of the Coldstream Hotel property. This was not included in the original budget amendment as it was still an "IN CAMERA" item at the time of the introduction of the 2005 budget bylaw.

Attached is a schedule showing the reconciliation from the approved budget amounts to the bylaw amounts as presented in bylaw # 4901.

Prior to Council giving fourth reading of the bylaw the public should be given an opportunity to present their views on the amendments. It is recommended that the public be invited to provide written submissions for Council's consideration prior to the bylaw being considered for fourth reading.

A handwritten signature in black ink, appearing to read "B. H. Fehrmann", written over a horizontal line.

B. H. Fehrmann

Cc: R. Campbell, Administrator  
M. Bailey, GM Corporate Services

THE CORPORATION OF THE CITY OF VERNON  
 2005 FIVE YEAR FINANCIAL PLAN  
 Reconciliation budget to bylaw

	AMENDED					
	2004	2005	2006	2007	2008	2009
<b>GENERAL REVENUE FUND</b>						
<b>REVENUES</b>						
Total City Revenues per detailed budget	33,040,763	31,226,360	33,333,435	34,932,555	34,502,438	35,719,382
Proceeds from Borrowing		7,000,000	1,000,000		1,000,000	
Transfer from DCC reserve		300,000	300,000	300,000	400,000	600,000
Tsf from other reserves	920,000	247,000	-	-	-	-
Increase tax revenue for Assisted Living Reserve			69,000	70,380	71,788	73,223
<b>Total Revised City Revenues</b>	<b>33,960,763</b>	<b>38,773,360</b>	<b>34,702,435</b>	<b>35,302,935</b>	<b>35,974,226</b>	<b>36,392,605</b>
Collections for others	24,400,650	24,840,650	24,700,650	25,250,650	25,800,650	26,350,650
<b>Total Revenues per Bylaw</b>	<b>58,361,413</b>	<b>63,614,010</b>	<b>59,403,085</b>	<b>60,553,585</b>	<b>61,774,876</b>	<b>62,743,255</b>
<b>EXPENDITURES</b>						
Total City Expenditures per detailed budget	32,998,224	31,220,467	33,326,340	34,931,145	34,497,273	35,712,186
Capital funded from Borrowing		7,000,000	1,000,000		1,000,000	
Capital funded from DCC reserve		300,000	300,000	300,000	400,000	600,000
Capital funded from other reserves	920,000	247,000	-	-	-	-
Reduction in RCMP contract costs		(50,000)				
Deletion of capital items (generators)		(120,000)				
Reallocation of Policing Reserve		-				
Transfer to Assisted Living Reserve		170,000	69,000	70,380	71,788	73,223
Annual Surplus	42,539	5,893	7,095	1,410	5,165	7,197
<b>Total Revised City Expenditures per Bylaw</b>	<b>33,960,763</b>	<b>38,773,360</b>	<b>34,702,435</b>	<b>35,302,935</b>	<b>35,974,226</b>	<b>36,392,605</b>
Collections for others	24,400,650	24,840,650	24,700,650	25,250,650	25,800,650	26,350,650
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THE CORPORATION OF THE CITY OF VERNON  
 2005 FIVE YEAR FINANCIAL PLAN  
 Reconciliation budget to bylaw

	AMENDED					
	2004	2005	2006	2007	2008	2009
<b>SANITARY SEWER FUND</b>						
<b>REVENUES</b>						
Total Revenues per detailed budget	\$ 7,250,426	\$ 9,461,552	\$ 11,515,971	\$ 11,666,206	\$ 11,928,515	\$ 12,343,157
Proceeds from Borrowing	2,200,000	14,000,000	2,000,000	2,000,000	-	2,000,000
Transfer from DCC reserve	3,000,000	-	500,000	500,000	500,000	500,000
Tsf from other funds	785,000	-	-	-	-	-
Senior Government Grants	2,300,000	5,000,000	-	-	-	-
<b>TOTAL REVENUES PER BYLAW</b>	<b>\$ 15,535,426</b>	<b>\$ 28,461,552</b>	<b>\$ 14,015,971</b>	<b>\$ 14,166,206</b>	<b>\$ 12,428,515</b>	<b>\$ 14,843,157</b>
<b>EXPENDITURES</b>						
Total Expenditures per detailed budget	\$ 7,221,616	9,461,422	11,509,892	11,660,147	11,876,175	12,341,536
Capital funded from Borrowing	2,200,000	14,000,000	2,000,000	2,000,000	-	2,000,000
Capital funded from DCC reserve	3,000,000	-	500,000	500,000	500,000	500,000
Capital funded from other reserves	785,000	-	-	-	-	-
Capital funded from government grants	2,300,000	5,000,000	-	-	-	-
Annual Surplus	28,810	130	6,079	6,059	52,340	1,620
<b>TOTAL REVENUES PER BYLAW</b>	<b>\$ 15,535,426</b>	<b>\$ 28,461,552</b>	<b>\$ 14,015,971</b>	<b>\$ 14,166,206</b>	<b>\$ 12,428,515</b>	<b>\$ 14,843,156</b>

THE CORPORATION OF THE CITY OF VERNON

BYLAW NUMBER 4901

A bylaw to amend the "Financial Plan"  
for the Years 2005 – 2009

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WHEREAS Section 165 of the *Community Charter* requires the Council to prepare and adopt a Financial Plan for a five year period for the years 2005 to 2009;

AND WHEREAS the Corporation of the City of Vernon has passed bylaw number 4894 to adopt the Financial Plan for the years 2005 – 2009;

NOW THEREFORE as the Council of The Corporation of the City of Vernon desires to amend the 2005 Financial Plan and amend the 2004 Financial Plan, the Council, in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as the "City of Vernon 2005 Financial Plan Amendment Bylaw Number 4901, 2005".
2. That Schedule "A" attached hereto and forming part of this bylaw is hereby adopted and shall be the 2005 Amended Financial Plan and the 2004 Amended Financial Plan for The Corporation of the City of Vernon.

READ A FIRST TIME this 24 day of January, 2005

READ A SECOND TIME this 24 day of January, 2005

READ A THIRD TIME this 24 day of January, 2005

Public Notification given this     day of             , 2005, pursuant to Section 166 of the  
*Community Charter*

ADOPTED this     day of             , 2005.

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Mayor

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City Clerk

THE CORPORATION OF THE CITY OF VERNON  
 AMENDED 2005 FIVE YEAR FINANCIAL PLAN

**SCHEDULE "A"**  
 Attached hereto and forming  
 part of Bylaw # 4901

**PAGE 1 OF 2**

	AMENDED					
	2004	2005	2006	2007	2008	2009
<b>GENERAL REVENUE FUND</b>						
<b>REVENUES</b>						
PROPERTY TAXES	\$ 17,342,393	\$ 18,399,306	\$ 19,995,588	\$ 20,889,186	\$ 21,832,155	\$ 22,850,161
FEES AND CHARGES	2,455,000	2,487,399	2,539,744	2,637,908	2,692,095	2,776,367
TRANSFERS FROM OTHERS	3,831,287	3,767,280	3,936,639	4,028,071	4,114,251	4,192,726
OTHER SOURCES	5,836,983	5,842,875	5,712,464	5,634,269	5,581,725	5,608,851
PROCEEDS FROM BORROWING	-	7,000,000	1,000,000	-	1,000,000	-
TRANSFER FROM SPECIAL FUNDS	943,000	270,000	23,000	23,500	24,000	24,500
TRANSFER FROM DCC FUNDS		300,000	300,000	300,000	400,000	600,000
TRANSFERS FROM ACC. SURPLUS	3,552,100	706,500	1,195,000	1,790,000	330,000	340,000
COLLECTIONS FOR OTHER GOVTS.	24,400,650	24,840,650	24,700,650	25,250,650	25,800,650	26,350,650
<b>TOTAL REVENUES</b>	<b>\$ 58,361,413</b>	<b>\$ 63,614,010</b>	<b>\$ 59,403,085</b>	<b>\$ 60,553,584</b>	<b>\$ 61,774,876</b>	<b>\$ 62,743,255</b>
<b>EXPENDITURES</b>						
INTEREST ON DEBT	\$ 2,068,619	\$ 2,584,427	\$ 2,750,859	\$ 2,619,470	\$ 2,540,574	\$ 2,725,413
PRINCIPAL ON DEBT	1,530,000	1,601,232	1,842,468	1,755,468	1,668,468	1,779,157
CAPITAL EXPENDITURES	6,163,596	10,673,196	5,095,000	4,530,000	4,255,000	4,655,000
OTHER MUNICIPAL PURPOSES	20,983,901	22,247,578	22,790,079	25,032,029	25,991,129	25,955,944
TRANSFER TO ACC. SURPLUS	3,214,647	1,666,927	2,224,029	1,365,967	1,519,055	1,277,091
TRANSFER TO OTHER GOVTS.	24,400,650	24,840,650	24,700,650	25,250,650	25,800,650	26,350,650
<b>TOTAL EXPENDITURES</b>	<b>\$ 58,361,413</b>	<b>\$ 63,614,010</b>	<b>\$ 59,403,085</b>	<b>\$ 60,553,584</b>	<b>\$ 61,774,876</b>	<b>\$ 62,743,255</b>

THE CORPORATION OF THE CITY OF VERNON

**SCHEDULE "A"**

Attached hereto and forming  
part of Bylaw # 4901

**PAGE 2 OF 2**

	AMENDED					
	2004	2005	2006	2007	2008	2009
<b>SANITARY SEWER FUND</b>						
<b>REVENUES</b>						
PARCEL TAX	\$ 100,072	\$ 100,072	\$ 100,072	\$ 100,072	-	-
FEES AND CHARGES	6,462,232	7,533,102	8,721,937	10,032,914	10,992,697	11,382,068
TRANSFERS FROM OTHERS	688,122	763,378	878,962	873,220	935,818	961,089
PROCEEDS FROM BORROWING	2,200,000	14,000,000	2,000,000	2,000,000	-	2,000,000
TRANSFER FROM DCC FUNDS	3,000,000	-	500,000	500,000	500,000	500,000
TRANSFERS FROM OTHER FUNDS	785,000	-	-	-	-	-
TRANSFERS FROM ACC. SURPLUS	-	1,065,000	1,815,000	660,000	-	-
SENIOR GOVERNMENT GRANTS	2,300,000	5,000,000	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 15,535,426</b>	<b>\$ 28,461,552</b>	<b>\$ 14,015,971</b>	<b>\$ 14,166,206</b>	<b>\$ 12,428,515</b>	<b>\$ 14,843,157</b>
<b>EXPENDITURES</b>						
INTEREST ON DEBT	\$ 2,111,675	3,100,000	5,300,000	5,300,000	5,300,000	5,300,000
PRINCIPAL ON DEBT	841,623	1,550,000	1,814,000	1,814,000	1,814,000	1,814,000
CAPITAL EXPENDITURES	9,655,130	20,705,345	3,731,551	3,832,677	1,980,156	4,030,688
OTHER MUNICIPAL PURPOSES	2,721,998	3,106,207	3,170,420	3,219,529	3,284,359	3,348,469
TRANSFER TO ACC. SURPLUS	990,000	-	-	-	50,000	350,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 15,535,426</b>	<b>\$ 28,461,552</b>	<b>\$ 14,015,971</b>	<b>\$ 14,166,206</b>	<b>\$ 12,428,515</b>	<b>\$ 14,843,157</b>