

RE: BNR OVERPASS

ACTING MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Finance be adopted.

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TO: MUNICIPAL MANAGER
FROM: DIRECTOR FINANCE
RE: B.N.R. OVERPASS

1983 April 06
File: C4-16-3

RECOMMENDATION

1. THAT a by-law be brought forward to appropriate \$2,475,758 from the Capital Works, Machinery and Equipment Reserve for the B.N.R. overpass.

REPORT

BACKGROUND

On 1982 July 12, the Municipal Manager reported to Council that the B.N.R. overpass would be built by a series of smaller contracts and funded by a combination of cash and short term borrowing.

That report also outlined the sources of funding which are as follows:

	<u>Funds Received or Transferred</u>	<u>Reserved or Committed</u>	<u>Total</u>
	\$	\$	\$
Federal Gov't UTAP	3,027,842	1,864,878	4,892,720(1)
B.N.R.		62,500	62,500(2)
Burnaby	5,568,697(3)	2,475,758(4)	8,044,455
Province of B.C.	<u>1,317,091</u>	<u>6,400,130(5)</u>	<u>7,717,221</u>
	<u>9,913,630</u>	<u>10,803,266</u>	<u>20,716,896</u>

Notes

- (1) Covered by a signed agreement.
- (2) Required to be paid under Canadian Transport Commission order.
- (3) 1981 and 1982 reserve fund appropriation by-laws.
- (4) Funds in Capital Reserve.
- (5) Approved by Province of B.C. \$750,000 in fiscal 1981/1982, \$3,200,000 in fiscal 1982/1983, plus \$3,767,221 in fiscal 1983/1984.

ITEM 4
MANAGER'S REPORT NO. 27
COUNCIL MEETING 1983 04 11

As part of the aforementioned funding, Burnaby now has been promised the full amount of the Province of B.C. grant to complete the project. The most recent grant of \$3,767,221 for the fiscal year 1983/1984 was announced by the Minister of Transportation and Highways on 1983 March 30. In addition, the U.T.A.P. and B.N.R. portions of the funding are also in place. The only portion not in place is Burnaby's share of the costs for 1983 of \$2,475,758, to be financed from the Capital Works, Machinery and Equipment Reserve.

Burnaby passed a short term borrowing by-law on 1982 July 12 under Section 344 of the Municipal Act to borrow up to \$4,045,066 to finance portions of the Province of B.C. and U.T.A.P. commitments until they have been received by Burnaby. At present, none of these funds have been borrowed, but the line of credit is available if needed. Including the by-law under Section 344, Burnaby currently has \$14,666,000 of funds in place or receivable to finance \$11,185,500 of expenditures or commitments to 1983 March 14, as summarized below:

Funds in place or receivable:	
Capital Works Reserve Fund appropriation	
- 1982	\$3,014,000
- 1981	2,554,800
Short term borrowing by-law	4,045,000
U.T.A.P.: received or receivable	3,364,300
Provincial grant received	1,317,100
Investment income	<u>370,800</u>
Less:	\$14,666,000
Applied and committed	<u>11,185,500</u>
Financing available for future commitments	<u>\$ 3,480,500</u>

CURRENT SITUATION

It is required by the Municipal Act to have sufficient funds identified and in place to finance additional work on the project before any contracts are let. Therefore, it is appropriate to transfer additional funds from the Capital Works Reserve by way of a further appropriation by-law, designated for further B.N.R. overpass spending.

The 1983-1987 Capital Budget will identify that the projected B.N.R. overpass expenditure of \$12,680,413 in 1983 will be financed, in part, by capital works reserves of \$2,475,758, for which the passage of a by-law is required.

It is recommended that a by-law be brought forward to appropriate \$2,475,758 from the Capital Works, Machinery and Equipment Reserve for the B.N.R. overpass.

The by-law requires an affirmative vote of at least 2/3 of all the members of Council, and the approval of the Minister of Municipal Affairs.



Howard Karias
DIRECTOR FINANCE

cc: Municipal Clerk
Municipal Solicitor
Director Engineering