

Staff Report

Report From: Deanna Hastie, Director of Corporate Services/Treasurer

Meeting Date: October 7, 2024

Subject: Menesetung Bridge Request for Funding

Attachment(s):

Recommendation:

That Goderich Town Council receive this report for information.

Report Summary:

Potential funding options to support the \$150,000 funding request from the Menesetung Bridge Association are as follows:

- Add the \$50,000 annual request to the budget for 2025 – 2027 and fund through taxation;
- Utilize substantially all of the annual Community grant budget allocation;
- Support the project by using the following reserves/reserve funds:
 - Community Economic Reserve - \$50,000;
 - Contingency Reserve; and/or
 - Waterfront Reserve Fund

Background/Analysis:

Council received a request for financial support from the Menesetung Bridge Association regarding major repairs to the concrete piers of the bridge. The request was for \$150,000. The support could be spread over a 3-year period.

If Council decides to support this request the following are some funding options:

- Add the amount to the 2025 – 2027 budgets and collect the funding from taxation
- Utilize substantially all of the Community Grant annual budget allocation to support this request for the next 3 years
- Utilize a reserve or reserve fund

The Town currently allocates \$133,000 for Community Grant applications that support various events and projects. This allotment includes the 10-year \$75,000 annual commitment to the

Hospital. This commitment will end in 2028. The remaining \$58,000 annually is used to support other community requests. By funding the \$50,000 request for the bridge project through this allocation there would not be an increase in taxation, however, there would be very limited resources to fund other requests.

The Town does not currently have a reserve or reserve fund that has a stated purpose that would directly fit this request. The current reserves and reserve funds have been created to support Town asset management requirements as well as specific programs/events.

There is a Community Economic Development Reserve that has a balance of approximately \$108,000 at the end of 2024. The reserve's purpose is, as its name suggests, to support economic development with its use to be determined by Council. The bridge benefits both the members of the community that use it and provides a tourism draw that supports our businesses. Therefore, the use of this reserve for the bridge project seems somewhat consistent with its purpose. An allocation of \$50,000 could be made from this reserve to support the bridge project. This would still leave some funds for other future economic development projects.

The Contingency Reserve could also be considered. It has a substantial balance of \$1,154,777 at the end of 2024. It has historically been used to support priority items that come up during the year after the budget has been passed. It would provide funds in the face of an emergency.

The last option would be to use the Waterfront Reserve Fund. The bridge is close to the waterfront as it spans the river. The Waterfront Reserve Fund's stated purpose is to fund projects in the waterfront area. Its balance at the end of 2024 is estimated at \$476,500. The use of this reserve fund would place the bridge project ahead of future Town waterfront asset requirements.

Linkages:

No direct link to the Strategic Plan.

Financial Impacts/Source of Funding:

The financial impact of the report is the funding of the \$150,000 request from the Menesetung Bridge Association.

Reviewed By: Janice Hallahan, Chief Administrative Officer

Approved By: Janice Hallahan, Chief Administrative Officer
Andrea Fisher, Director of Legislative Services/Clerk