



Finance Department  
Keith Sawdon, Finance Director

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From: **Keith Sawdon, Finance Director, Ext 2535**

To: **Members of the Public Safety and Infrastructure Technical Review Committee**

Date: **March 26, 2015**

Re: **Storm Drain Maintenance Funding**

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At the last meeting the Public Safety and Infrastructure Technical Review Committee, the Committee was discussing several possible projects to suggest to City Council for initiatives the Committee could under take in the coming year.

One of the initiatives discussed was **Storm Drain Maintenance Funding**. For a number of years the Finance Department, through its Financial Forecast, has been advising City Council that the City's Water Resource Fund (Drain Fund) had no dedicated funding source and has been using its fund balance to pay for maintenance costs related to City owned storm water drainage. At the present pace of spending, the financial forecast is indicating the fund's fund balance will be exhausted by FY2018.

The Fund is currently spending an average of \$600,000 a year on maintaining City owned storm water drains. We believe there are several funding options the Committee could consider. From a millage point of view that \$600,000 cost represents approximately .20 mills (\$600,000/\$3,000,000,000 of taxable value). On a per property parcel basis the \$600,000 cost presents approximately \$23/year (\$600,000/26,000 properties) or \$4 a billing cycle if billed on the City's utility bill (\$24/6 bills) or the Committee could review a \$600,000 transfer from General Fund which will limit other transfers General Fund is currently making, such as to Local Roads.

It would be my recommendation that the Public Safety and Infrastructure Technical Review Committee to given the task of reviewing various funding methods available to fund the maintenance needed on City owned storm water drain system and recommend a preferred funding method to City Council for their consideration.