

APPENDIX A

Subject: Greater North Foundation Capital Reserve
Date: Tue, 11 Feb 2025 09:58:34 -0700
From: Wanda Parker <wanda.parker@gnfoundation.ca>
To: Barry Kalinski <bkalinski@md.bonnyville.ab.ca>
CC: Ben Berlinguette <b.berlinguette@md.bonnyville.ab.ca>

Good Morning Reeve Kalinski,

The Greater North Foundation would like to thank you and your council for the support for the development and management of a Capital Reserve. Please see the attached letter for an update regarding a Capital Maintenance Reserve.

As in accordance with the Alberta Housing Act and Regulations, the Greater North Foundation is requesting a motion from your Municipality in support of an aggregate limit as required under the Act.

Please note that the Greater North Foundation's reserve policy allows for the return of all reserve funds to the Municipalities in the event of dissolution of the Greater North Foundation.

The original documentation will be sent out via mail.

Kind Regards,



Wanda Parker

Chief Administrative Officer
Greater North Foundation
780-675-9660
wanda.parker@gnfoundation.ca



Greater North Foundation

Unit #1, 3603-53rd Street
Athabasca, Alberta T9S 1A9

Phone: 780-675-9660
Fax: 780-609-0555

February 10, 2025

MD of Bonnyville
Attention: Reeve Barry Kalinski
4905 – 50 Ave.
Bonnyville, AB
T9N 2J7

Dear: Reeve Kalinski and Council,

Re: Greater North Foundation Capital Reserve Update

The Greater North Foundation has been actively seeking approval for a Capital Reserve from all 14 municipalities that support the requisition for the Seniors Lodge Accommodation program.

We appreciate your municipality's support as reflected in your letter dated February 6, 2023, and are providing additional information to further justify the need for the capital reserve.

The Board has passed a resolution to include a \$262,900 contribution to the Capital Maintenance Reserve in the 2025 municipal requisition.

Please review the attached documentation, which outlines our request. We are confident that, after reviewing the materials, your municipality will support a motion similar to the following:

Motion to approve an annual capital requisition from Greater North Foundation for a Capital Maintenance Reserve, based on 1/20 of the most recent 20-year maintenance plan, with an aggregate limit not to exceed \$3,000,000.

Your approval of this motion will ensure the continued success and sustainability of the lodge program and provide safe, appropriate housing for seniors.

For any questions or clarification, please contact CAO Wanda Parker at 780-675-9660 or wanda.parker@gnfoundation.ca.

Sincerely,

Patrick Ferguson
Chairman, Greater North Foundation

cc. Ben Berlinguette, CAO MD of Bonnyville
Directors, Greater North Foundation

GREATER NORTH FOUNDATION

SUPPORTING INFORMATION

Capital Maintenance Reserve

Following an independent evaluation by Associated Engineering Ltd. in 2023, the Greater North Foundation received a comprehensive Asset Condition Assessment and Maintenance Report, which was approved by our Board of Directors in 2024. The report identifies an estimated total of \$5,258,000 in maintenance and upgrades needed for the Foundation's properties over the next 20 years.

In alignment with these findings, we are requesting approval for a Capital Maintenance Reserve with an annual contribution of \$262,900, based on 1/20 of the most recent 20-year maintenance plan. This reserve will provide financial stability for the Foundation and ensure more predictable requisition amounts, reducing the financial burden on taxpayers.

There is no impact on the municipal tax rate; moreover, the aggregate impact on taxpayers is minimal. For example, a family home with an assessed value of \$300,000 would experience an annual increase of approximately \$7.44—or less than \$0.62 per month—based on 2023 Equalized Assessment values.

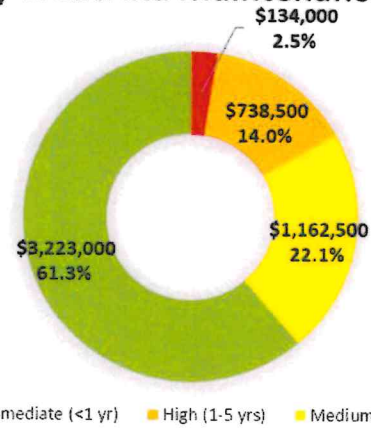
Additionally, we are requesting approval for an aggregate limit of \$3,000,000 for the Capital Maintenance Reserve, in accordance with Section 23.1(4) of the Alberta Housing Act. Should the Greater North Foundation be dissolved, reserve funds will be returned to the requisitioning municipalities according to the equalized assessment formula.

Our Board is confident that this reserve is a prudent and responsible financial step to ensure the sustainability of the Seniors Lodge Program. This program plays a vital role in providing housing for seniors, many of whom have contributed to building the communities we serve.

Looking forward, we are in the process of undertaking an independent housing needs assessment in the region to identify the housing needs in the communities we serve. A successful partnership with your municipality is of utmost importance to us and will result in appropriate accommodation for our seniors, economic sustainability, and growth. As an authorized Management Body for affordable housing in our region, we aim to collaborate with municipalities to develop effective, sustainable housing solutions for our residents.

Greater North Foundation Owned Facilities - 20 Yr Maintenance Plan

Pleasant Valley & LacAlta Maintenance Summary



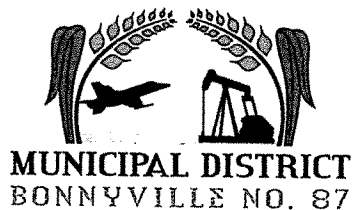
Pleasant Valley
FCI: 3% Status: Good

LacAlta
FCI: 1% Status: Good

Asset Category	Immediate Priority Cost (<1 yr.)	High Priority Cost (1 - 5 yrs.)	Medium Priority Cost (6 - 10 yrs.)	Low Priority Cost (11 - 20 yrs.)	Total (2024 Dollars)
Architectural	\$80,000	\$62,000	\$645,000	\$1,107,000	\$1,894,000
Structural	\$12,000	\$20,000	\$20,000	-	\$52,000
Mechanical	\$5,000	\$354,000	\$127,500	\$2,093,500	\$2,580,000
Electrical	\$4,000	\$2,500	\$50,000	\$2,500	\$59,000
Civil	\$33,000	\$30,000	\$320,000	\$20,000	\$673,000
Total	\$134,000	\$738,500	\$1,162,500	\$3,223,000	\$5,258,000

Facility Replacement Values

Pleasant Valley Lodge = \$18,254,767
 LacAlta Lodge = \$19,658,981
Total = \$37,913,748



February 6, 2023

Chair Ferguson
Greater North Foundation
Unit 1, 3603 53rd Street
Athabasca, AB T9S 1A9

Dear Chair Ferguson:

Re: Request to Establish Capital Reserve

The Municipal District of Bonnyville (M.D.) Council received your letter dated November 15, 2022, requesting the establishment of a capital reserve.

At the January 10th and 24th Council meetings, Council had the opportunity to review and discuss this request. Please be advised that Council approved the establishment of a reserve fund by the Greater North Foundation as outlined in the Alberta Housing Act and Management Body Operation and Administration Regulation.

In addition, Council also directed Administration to correspond with the Honourable Jeremy Nixon, Minister of Seniors, Community and Social Services to revise the boundaries for the benefit of the housing management bodies in our region. I have enclosed a copy of the letter sent to the Minister for your reference.

If you have any questions, please advise.

Yours truly,

Barry Kalinski
Reeve
Municipal District of Bonnyville No. 87

/gm

Enclosure.

Received
Feb 16/23