



City of Moose Jaw

COMMUNICATION # CC-2022-0271

TITLE: Moose Jaw Municipal Airport Authority Line of Credit Guarantee Request for Extension

TO: City Council

FROM: City Manager

DATE: October 21, 2022

PUBLIC: PUBLIC DOCUMENT

RECOMMENDATION

THAT City Administration be authorized to craft an amending bylaw to extend the line of credit to December 31, 2022 as part of Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021, being a bylaw of the City of Moose Jaw to authorize a revolving line of credit for the Moose Jaw Municipal Airport Authority.

EXECUTIVE SUMMARY

Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021 allows for the City of Moose Jaw to provide bridge financing to the Moose Jaw Municipal Airport Authority ("MJMAA") for the runway capital upgrades under the ICIP Program. This bylaw required the revolving line of credit to be completely repaid by April 30, 2022, which has been completed. Some work remains to be completed in 2022 which has necessitated the extension request and the line of credit was extended to October 31, 2022 earlier this year.

The ICIP Program requires that the work be completed, and invoices paid, which can take up to 90 days to be reimbursed. This has caused cash flow issues for the MJMAA. Mr. Greg Simpson, Chair, had previously requested that the revolving line of credit be extended until October 31, 2022 so that the remaining work can be completed. They are now requesting an additional extension to December 31, 2022 due to a delay from the CRA.

BACKGROUND

The following reports are attached as background information:

- Report dated February 20, 2021 from the Department of Financial Services regarding the Moose Jaw Municipal Airport Authority Line of Credit Guarantee.
- Report dated March 24, 2021 from the Department of Financial Services regarding Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021.
- Report dated April 13, 2021 from the Department of Financial Services regarding Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021 (3rd Reading).
- Report dated April 20, 2022 from the City Manager regarding the Moose Jaw Municipal Airport Authority Line of Credit Guarantee Request for Extension.
- Report dated April 26, 2022 from the Department of Financial Services regarding Bylaw No. 5666, The Moose Jaw Municipal Airport Authority Guarantee Bylaw Amendment, 2022 (1).

DISCUSSION

The following request was received from Mr. Greg Simpson, Chair of the Moose Jaw Municipal Airport Authority:

"The MJMAA is requesting a further extension of the Loan Guarantee with JGL until December 31st, 2022. We have encountered a significant delay from the CRA for our GST Refund of \$127,404.00. First, the CRA decided to audit our GST return, and now they have requested us to file a Corporate Return RC0001. BTN said this is an unprecedented request as we have not had to file the RC0001 since we are a non-profit. We did receive our GST return last year, so we are perplexed by the new unpredictable expectations from the CRA.

Last week we got the grass re-seeded, and now we can obtain Total Performance on the Earthworks and Electrical contracts. We will have the final invoices, and holdback paid next week and utilize our bridge financing. Once these cheques clear the bank account, I will proceed with the final application for funds from ICIP. In addition, I will invoice the City of Moose Jaw for the remaining funds."

This is the first step as notice of the bylaw has to be advertised and would be scheduled to be presented to Council on November 14, 2022.

STRATEGIC PLAN

This report supports the Strategic Plan Objective #2 – Agriculture, Diversification, and Innovation – The municipal airport is an important municipal asset that supports the agriculture industry, economic development, increased economic activity, and job creation.

PRESENTATION

Mr. Jim Puffalt, City Manager, will provide a brief overview of this report.

ATTACHMENTS

- A. Report dated February 20, 2021 from the Department of Financial Services regarding the Moose Jaw Municipal Airport Authority Line of Credit Guarantee.
- B. Report dated March 24, 2021 from the Department of Financial Services regarding Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021.
- C. Report dated April 13, 2021 from the Department of Financial Services regarding Bylaw No. 5643, The Moose Jaw Municipal Airport Authority Guarantee Bylaw, 2021 (3rd Reading).
- D. Report dated April 20, 2022 from the City Manager regarding the Moose Jaw Municipal Airport Authority Line of Credit Guarantee Request for Extension.
- E. Report dated April 26, 2022 from the Department of Financial Services regarding Bylaw No. 5666, The Moose Jaw Municipal Airport Authority Guarantee Bylaw Amendment, 2022 (1).

REPORT APPROVAL

Written by: Jim Puffalt, MBA, CMMA, RMA, City Manager
Reviewed by: Tracy Wittke, City Clerk
Approved by: Jim Puffalt, City Manager
Approved by: Clive Tolley, Mayor

To be completed by the Clerk's Department only.

Presented to Regular Council or Executive Committee on _____.

Resolution No. _____

Report Approval Details

Document Title:	Moose Jaw Municipal Airport Authority Line of Credit Guarantee - Request for Extension - CC-2022-0271.docx
Attachments:	<ul style="list-style-type: none">- Attachment A - Report dated Febraury 20, 2021.pdf- Attachment B - Report dated March 24, 2021.pdf- Attachment C - Report dated April 13, 2021.pdf- Attachment D - Report dated April 20, 2022.pdf- Attachment E - Report dated April 26, 2022.pdf
Final Approval Date:	Oct 21, 2022

This report and all of its attachments were approved and signed as outlined below:



Tracy Wittke

No Signature - Task assigned to Jim Puffalt was completed by workflow administrator Chelsey Domes

Jim Puffalt

No Signature - Task assigned to Clive Tolley was completed by workflow administrator Chelsey Domes

Clive Tolley