



CITY OF ST. ALBERT CITY COUNCIL POLICY

| NUMBER | TITLE |
|------------------------|---|
| C-FS-11 | Operating and Capital Carry Forwards <u>and Closed Projects</u> |
| ORIGINAL APPROVAL DATE | DATE LAST REVISED |
| January 23, 2012 | June 27, 2016 |

Purpose

To establish a consistent approach and review process for the carry forward of funding required to complete incomplete operating or capital projects.

Policy Statement

Any operational or capital project that has not been completed during its budgeted fiscal year shall be brought forward for consideration as part of Administration's report on proposed year end transfers, and all projects shall be subject to a maximum carry-forward deadline.

Any operating or capital project that is fully completed within the fiscal year shall be brought forward for consideration as part of Administration's report on proposed year end transfers, and all projects with a surplus shall have that surplus directed back to it's original funding source if feasible.

Definitions

"Capital Project" means any project approved by Council and funded through the capital budget. Typically a capital project results in an asset to the City.

"Carry Forward" shall mean the funding for an operating or capital project that is required to be transferred to a subsequent year.

"Closed Project" shall refer to all operating and capital projects that are deemed complete by administration, all financial obligations related to the project have been finalized and any warrantee periods have elapsed.

"Operating Project" means a project approved by council and funded through the operating budget or as a transfer from a reserve to the operating budget. Typically an operating project does not result in an asset to the City.

Service Standards/ Expectations

1. Operational Carry Forwards
 - a. A list of all operational carry forward requests shall be provided to Council's Governance, Priorities and Finance Committee~~Standing Committee of the Whole~~, as part of the report on proposed year end transfers, for consideration and recommendation to Council.
 - b. Any operational project that has not been completed after being carried forward once shall be cancelled unless an extension is approved at the discretion of Council.
2. Capital Carry Forwards
 - a. A list of all capital carry forward requests shall be provided to Council's Standing Committee of the Whole, as part of the report on proposed year end transfers, for consideration and recommendation to Council.
 - b. Any capital project that has not been completed within four (4) years of being carried forward shall be cancelled unless an extension is approved at the discretion of Council.

3. Closed Projects

- a. A list of all completed operating and capital projects shall be provided to Council's Governance, Priorities and Finance Committee, as part of a report on proposed year end transfers, for consideration and recommendation to Council.
- b. All operational and capital projects completed during the year, with remaining funding available, shall have those surplus funds returned to the original funding source.

~~3.4.~~ The City Manager shall ensure that the status of all corporate projects, including their expected completion date and carry forward status, is communicated to Council and the public on a quarterly basis.

Legal References

Municipal Government Act

Cross References

C-FS-01, Financial Reserves

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| REVIEW | REVISION |
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~~June 2017~~August 2018 – Financial Services

C34-2012 01 23
C424-2016 06 27

REVIEW DATES