



Legislation Details (With Text)

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Title: Operating Carry Forwards & Completed Projects
Presented by: Anne Victoor, Manager Financial Services

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Attachments: 1. Operating Carry Forwards, 2. Completed Operating Projects With Residual Balances

Date	Ver.	Action By	Action	Result
2/19/2019	1	City Council	approved	Pass

TAMRMS#: B06

Operating Carry Forwards & Completed Projects

Presented by: Anne Victoor, Manager Financial Services

RECOMMENDATION(S)

1. That the 2018 Municipal and Utility Operating Carry Forward amount of \$5.9 million, as detailed in "Operating Carry Forwards", provided as an attachment to the February 19, 2019 agenda report titled "Operating Carry Forwards & Completed Projects", be approved.
2. That reserve balances be updated to reflect the realized net savings from completed Municipal and Utility Operating projects as detailed in the attachment titled "Completed Operating Projects With Residual Balances" provided as an attachment to the February 19, 2019 agenda report titled "Operating Carry Forwards & Completed Projects".

PURPOSE OF REPORT

This report provides Council an overview of the 2018 Operating Carry Forwards and Completed projects funded from reserves for consideration and recommendation to Council.

ALIGNMENT TO PRIORITIES IN COUNCIL'S STRATEGIC PLAN

N/A

ALIGNMENT TO LEVELS OF SERVICE DELIVERY

N/A

ALIGNMENT TO COUNCIL DIRECTION OR MANDATORY STATUTORY PROVISION

As per Council Policy C-FS-11, Operating and Capital Carry Forwards Policy:

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 its original funding source if feasible.

BACKGROUND AND DISCUSSION

The purpose of a carry forward is to ensure that there is adequate funding available to complete projects, one-time initiatives in a given timeframe without impacting tax or the operating budget in subsequent years.

Operating Carry Forwards

The recommended operating carry forward total of \$5.9 million as detailed in the attachment titled *Operating Carry Forwards* is comprised of:

Projects and Initiatives - Current Year

- \$1.0 million funded from the 2018 operating budget
- \$519 thousand funded from reserves
- Various projects and initiatives includes such items as Priority Based Budgeting, Inclusive Hiring Program and Indigenous Reconciliation.

Projects and Initiatives - Prior Year

- \$4.1 million funded from reserves
- Various projects and initiatives include such items as the Compensation Review, Internal Auditor, Residential Parking Pass Program and the Sturgeon County Annexation.

Utility Projects and Initiatives

- \$275 thousand funded from reserves
- Various projects and initiatives include the Utility Relief Grant Program, Stormwater Rate Model and Bulk Water Dispensing Unit.

Completed Operating Projects with residual balances

During the year, the City completed a number of operating projects funded from reserves. Of the completed projects, there was a net realized residual savings of \$314 thousand as detailed in the attachment titled *Completed Operating Projects With Residual Balances*. It is recommended that these funds be uncommitted for future Council approved projects.

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

N/A

IMPLICATIONS OF RECOMMENDATION(S)

Financial:

- Approval to carry forward budgets for Municipal Operating and Utility Operating projects to

ensure that Administration can complete Council approved projects and initiatives.

- Approval to un-commit the realized net savings from closed projects and initiatives to ensure that dollars will be available for future projects with no tax impact.

Legal / Risk:

- None

Program or Service:

- If funds recommended to be carried forward are not approved, projects and initiatives still in progress will not have the appropriate funds to complete.

Organizational:

- None

ALTERNATIVES AND IMPLICATIONS CONSIDERED

If Council does not wish to support the recommendation, the following alternatives could be considered:

- Specific projects and initiatives identified by Council to be completed and funds carried over, and other projects be identified to not proceed with funding to be withdrawn by denying any carry over of associated project dollars.

Report Date: February 19, 2019

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Committee/Department: Finance & Assessment Department

Chief Administrative Officer: Kevin Scoble