



Legislation Text

File #: AR-18-521, **Version:** 1

TAMRMS#: B06

Budget Amendment-Synergy Building

Presented by: Diane McMordie, Director of Financial Services

RECOMMENDATION(S)

1. That the 2018 Operating Budget for the Synergy Building located at 110 Carleton Drive, as detailed in the attachment titled "2018-2019 Operating Budgets for Synergy Building", be approved.
2. That the following Postponed Motion be approved:

PM-19-018

That the 2019 Operating Budget for the Synergy Building, as detailed in the attachment titled "2018-2019 Operating Budgets for Synergy Building", be approved.
and;

That administration incorporate the budget amendment for consideration within the 2019 Municipal Operating Budget on December 17, 2018

PURPOSE OF REPORT

The purpose of the report is make amendments to the 2018 and 2019 operating budgets to include the anticipated revenue and expenses associated with the purchase of the Synergy Building located at 110 Carleton Drive.

ALIGNMENT TO COUNCIL STRATEGIC PRIORITY

N/A

ALIGNMENT TO ADMINISTRATIVE PRIORITY

N/A

ALIGNMENT TO SERVICE DELIVERY

Service Name: Financial Planning

Definition: Stewardship of the development of annual operating and capital budgets for Municipal and Utility Operations.

Service Component: Municipal Operating Budget Development

COUNCIL DIRECTION

N/A

BACKGROUND AND DISCUSSION

In July 2018 Council approved Administration's recommendation to purchase the Synergy Center

property located at 110 Carleton Drive. The acquisition was completed effective August 28, 2018. In order to ensure that the 2018 and 2019 budgets accurately capture the revenues and expenses of the building they require adjustment to reflect the purchase.

The building was acquired through internal financing with repayment over 30 years at a 2.89% interest rate. As the first few years will result in a surplus to the City, which will be offset when the City transitions from leasing to fully utilizing the building space, the surpluses will be transferred to reserves to be used during the transition years, which will mitigate the tax impacts from the building.

The 2018 and 2019 budgets are provided in the attachment titled "2018-2019 Operating Budgets for Synergy Building"

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

None

IMPLICATIONS OF RECOMMENDATION(S)

The 2018 and 2019 Operating budgets will include the operations of the Synergy Building.

Financial:

The 2018 operating revenue and expense would be increased by \$262,400, resulting in no tax impact.

The 2019 operating revenue and expense would be increased by \$783,300, resulting in no tax impact.

Legal / Risk:

As per the MGA (section 248.2), council authorization is required for expenditures and/or revenues that are not included in the approved budget. This includes any new services, programs or projects undertaken

Program or Service:

None at this time

Organizational:

None at this time

ALTERNATIVES AND IMPLICATIONS CONSIDERED

There are no alternatives available

Report Date: November 26, 2018

Author(s): Diane McMordie

Committee/Department: Finance & Assessment Department

Deputy Chief Administrative Officer/Chief People Officer: Michelle Bonnici

Chief Administrative Officer: Kevin Scoble