



Legislation Text

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Operating Carry Forwards

Presented by: Anne Victoor, Financial Services Manager

RECOMMENDATION(S)

1. That the 2019 Municipal and Utility Operating Carry Forward amount of \$5.7 million, as detailed in "Operating Carry Forwards", provided as an attachment to the February 18, 2020 agenda report titled "Operating Carry Forwards", 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 18, 2020 agenda report titled "Operating Carry Forwards".

PURPOSE OF REPORT

This report provides Council an overview of the 2019 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

N/A

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 \$5.7 million as detailed in the attachment titled *Operating Carry Forwards* is comprised of:

Projects and Initiatives - Current Year

- \$1.9 million funded from the 2019 operating budget
- \$338 thousand funded from reserves
- Various projects and initiatives includes such items as Transit Feasibility Study, Cyber Security Ops Centre and Municipal Energy Manager Program.

Projects and Initiatives - Prior Year

- \$3.3 million funded from reserves
- Various projects and initiatives include such items as the Indigenous Reconciliation, Internal Auditor, Inclusive Hiring Program and the Sturgeon County Annexation.

Utility Projects and Initiatives

- \$204 thousand funded from reserves
- Various projects and initiatives include the Utility Relief Grant Program, Stormwater Rate Model and Styrofoam Recycling Pilot Program and the Single Use Items Workplan.

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 \$303 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 at this time

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:

- If funds recommended to be carried forward are not approved, projects and initiatives still in

progress will not have the appropriate funds to complete.

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 18, 2020

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Committee/Department: Finance & Assessment

Deputy Chief Administrative Officer: Kerry Hilts

Chief Administrative Officer: Kevin Scoble