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Date: December 3, 2018
To: Mayor and Council
Author: Ryan McLeod, Director of Financial Services
RE: 2018 Year End Capital Project Carry Overs and Reserve Transfers
Report No.: FS-2018-16

AIM

To recommend the transfer of certain unspent funds to the appropriate reserves.

BACKGROUND

The 2018 tax rate was set to fund certain capital projects within the budget year. Due to various circumstances, some capital projects remain incomplete at year end and administration is recommending the tax funds raised in 2018 for these projects be set aside to fund the completion of these projects in the next budget cycle.

When determining which projects to seek reserve transfer approval for, the following factors were considered:

- Commitments to legislative or contractual obligations
- Uncontrollable factors impeding project completion
- Strategic goals of the municipality
- Non tax related funding sources related to the project (eg. Grants, reserves)
- Stability of tax rate increases independent of prior year surplus/deficit reconciliation

DISCUSSION

Administration is requesting the following capital project reserve transfers:

Project Name	Budget Funded by 2018 Taxation	Request to Transfer
PW - Bridge #042 – Maddox Drain Culvert (Eng.)	\$30,000	Unspent amount to PW Capital Reserve (39068)
PARKS - Mettawas Park - Phase 2- Design and Engineering	\$60,500	Unspent amount to Mettawas Park Reserve (31062)

FAC - Floor Scrubber	\$9,150	Unspent amount to Facilities Reserve (39118)
REC - Youth Programming Equipment	\$12,000	Unspent amount to new Recreation & Events Reserve (31070)

Administration is also requesting the following operating budget reserve transfers:

Project Name	Budget	Request to Transfer
GEN ADMIN – General Insurance Deductible	\$175,000	Unspent funds to Budget Stabilization Reserve (31060)
GEN ADMIN – Professional Services – Legal / HR	\$189,000	Unspent funds to Budget Stabilization Reserve (31060)
MARINA – Budget vs Actual	\$77,441	Unspent budget variance to Marina Improvement Reserve (31057)

Please note that any grant funds received during the year, which were not spent on their intended purpose, will be transferred to a reserve and applied against eligible expenditures in future years.

LINK TO STRATEGIC PLAN

Effectively manage corporate resources and maximize performance in day-to-day operations.

FINANCIAL CONSIDERATIONS

The transfers to reserves outlined in this report are intended to recognize ongoing projects in accordance with council approved commitments and to ensure future tax rate decisions are not impacted by previously approved capital projects.

CONSULTATIONS

Senior management team.

RECOMMENDATION

That council approve capital and operating transfers to reserves as outlined in the table in report FS-2018-16.

Ryan McLeod

Ryan McLeod, CPA, CA
Director of Financial Services

Peggy Van Mierlo-West

Peggy Van Mierlo-West, C.E.T.
Chief Administrative Officer