

**DATE:** November 13, 2020

**TO:** MAYOR AND COUNCIL

**NAME AND TITLE:** Standing Committee on Finance and Audit

**SUBJECT:** Budget Amendment Authority Review

**ATTACHMENT(S):** 1. Staff Report to Standing Committee on Finance and Audit from Walter Babicz, Acting City Manager dated November 5, 2020  
2. Sustainable Finance Guidelines

## RECOMMENDATIONS:

That Council:

1. AMENDS Sustainable Finance Guideline 8.4 as follows:

“The unspent amount of funding for an approved capital project may be carried forward to the following year’s Financial Plan, if the project has begun. Every year, unspent capital funds for projects that have not begun will be brought forward to the Standing Committee on Finance and Audit for information and reviewed and considered for carryforward approval by the Senior Leadership Team.”

2. AMENDS Sustainable Finance Guideline 14.1 as follows:

“Budget amendments in a calendar year or transfers equal to the lower of: 5% of the capital project budget, or \$100,000 per project, may be approved by the City Manager. If the budget amendments in a calendar year exceed the above totals, subsequent budget amendments must be approved by Council.”

## PURPOSE:

At the June 15, 2020 Council meeting, Council directed a review of the City Manager's cumulative budget amendment authorization, as outlined in the Sustainable Finance Guidelines, to the Standing Committee on Finance and Audit, for a report back to Council.

Administration presented a report to the Finance and Audit Committee at its November 9<sup>th</sup> meeting. This report brings forward resolutions for Council’s consideration from that meeting.

## STRATEGIC PRIORITIES:

This report supports Council’s Priorities of Sustainable Fiscal Management and Organizational Excellence.

## POLICY/REGULATORY ANALYSIS:

The Sustainable Finance Guidelines are a Council policy. Council must approve any changes to that policy.

**OTHER CONSIDERATIONS:**

The Standing Committee on Finance and Audit is recommending to reduce the City Manager's capital project budget amendment authority to authorize budget transfers equal to the lower of: 5% of the capital project budget, or \$100,000 per project.

During discussion around capital projects at the November 9<sup>th</sup> meeting, the Committee also passed a resolution that a report be brought forward to Council recommending an amendment to Sustainable Finance Guideline 8.4 that would require an annual carryforward list on unspent funds for capital projects approved in the previous year, to be brought to the Standing Committee on Finance and Audit for information.

**SUMMARY AND CONCLUSION:**

The Standing Committee on Finance and Audit is presenting two recommended changes to the Sustainable Finance Guidelines and requests that Council approve them.

**RESPECTFULLY SUBMITTED:**

Councillor Garth Frizzell, Chair  
Standing Committee on Finance and Audit

**MEETING DATE:** November 23, 2020