

DATE: July 19, 2021

TO: MAYOR AND COUNCIL

NAME AND TITLE: Walter Babicz, City Manager

SUBJECT: Capital Project Budget Delegation of Authority Bylaw

ATTACHMENT(S): None

RECOMMENDATIONS:

1. THAT Council GIVES FIRST THREE READINGS to “City of Prince George Capital Project Budget Delegation of Authority Bylaw No. 9217, 2021”; and
2. Upon final reading and adoption of “City of Prince George Capital Project Budget Delegation of Authority Bylaw No. 9217, 2021”, that the Sustainable Finance Guidelines be amended to remove section 14.1.

PURPOSE:

For Council decision.

BACKGROUND:

In June 2020 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. A report was presented to the Standing Committee on Finance at its November 9, 2020 meeting that recommended the City Manager's capital project budget amendment authority be reduced to the lower of: 5% of the capital project budget, or \$100,000 per project. At the regular meeting of Council on November 23, 2020, Guideline 14.1 of the Sustainable Finance Guidelines was amended in accordance with the recommendation from the Standing Committee on Finance and Audit, to read as follows:

Guideline 14.1

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.

A review of this item has concluded that it is a prudent and better practice for Council to delegate the authority to amend capital project budgets through a bylaw rather than through a Council policy such as the Sustainable Finance Guidelines. Delegating this authority by bylaw allows the budget amendment to have legal effect immediately, rather than at the time of amendment of the Financial

Plan bylaw. Accordingly, City of Prince George Capital Project Budget Delegation of Authority Bylaw No. 9217, 2021 has been drafted for the purposes of moving the existing provisions for project budget amendments in Guideline 14.1 of the Sustainable Finance Guidelines into that bylaw.

STRATEGIC PRIORITIES:

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

SUMMARY AND CONCLUSION:

Guideline 14.1 of the Sustainable Finance Guidelines regarding project budget amendment authority is proposed to be moved into a new bylaw. Administration will continue to provide reports to Council, on a quarterly basis, itemizing the City Manager's use of the delegated authority for budget amendments.

RESPECTFULLY SUBMITTED:

Walter Babicz, City Manager

Meeting Date: 2021/07/26