



REQUEST FOR A DECISION

City Council – December 13, 2021

To: Her Worship Mayor Rogers and Members of City Council
From: Alicia Keating, Assistant Director – Corporate Services/City Treasurer
Date: December 07, 2021
Title: Reserves Spent in 2021 and Reserve Requests for 2022 and Beyond

ISSUE:

Council approval is required to spend funds from reserves for projects that were budgeted for and reserved in prior year but completed in 2021 as well as approval to reserve 2021 budgeted funds to use to complete projects in future years.

RECOMMENDATION(S):

A. Recommendation:

It is recommended that the following resolution be adopted by City Council: 1) Be it resolved that the Council of the City of Fredericton authorizes the City Treasurer of the City of Fredericton to transfer the amount of \$2,969,866 to the General Operating Fund in order to fund projects completed in 2021 that were budgeted for in previous years from the General Operating Reserve Fund pursuant to Section 101 under Part 9 of the Local Governance Act; 2) Be it resolved that the Council of the City of Fredericton authorizes the City Treasurer of the City of Fredericton to transfer the amount of \$3,708,053 to the General Operating Fund in order to fund projects completed in 2021 that were budgeted for in previous years from the General Capital Reserve Fund pursuant to Section 101 under Part 9 of the Local Governance Act; 3) Be it resolved that the Council of the City of Fredericton authorizes the City Treasurer of the City of Fredericton to transfer the amount of \$4,274,727 to the Water & Sewer Operating Fund in order to fund projects completed in 2021 that were budgeted for in previous years from the Water & Sewer Capital Reserve Fund pursuant to Section 101 under Part 9 of the Local Governance Act; 4) Be it resolved that the Council of the City of Fredericton authorizes the City Treasurer of the City of Fredericton to transfer the amount of \$2,233,600 to the General Operating Reserve Fund in order to complete projects budgeted for in 2021 in future years from the General Operating Fund pursuant to Section 101 under Part 9 of the Local Governance Act; 5) Be it resolved that the Council of the City of Fredericton authorizes the City Treasurer of the City of Fredericton to transfer the amount of \$6,147,168 to the General Capital Reserve Fund in order to complete projects budgeted for in 2021 in future years from the General Operating Fund pursuant to Section 101 under Section 9 of the Local Governance Act; 6) Be it resolved that the Council of the City of Fredericton authorizes the City Treasurer of the City of Fredericton to transfer the amount of \$1,627,000 to the Water & Sewer Capital Reserve Fund in order to complete projects budgeted for in 2021 in future years from the Water & Sewer Operating Fund pursuant to Section 101 under Part 9 of the Local Governance Act.

B. Other options: (If applicable, only complete if there are multiple options)

Council can provide other direction to staff

BACKGROUND & DISCUSSION:

Section 101 under Part 9 of the *Local Governance Act* allows a municipality to establish, manage and contribute to reserve funds.

At the end of each year, staff request approval from City Council to transfer uncompleted project funding from budget and savings into reserve fund bank accounts. This reserved money is then brought back into the operating funds for the completion of the associated work in the ensuing year. This requires a resolution from Council to be completed prior to December 31st of any given year.

There are a number of factors that result in projects not being completed prior to year-end which results in the request to transfer to the reserve funds to enable completion of the projects in the following year.

Please see attached documents for current year expenditures for prior year reserves and current year request to transfer to reserves.

FINANCIAL: By making use of reserves, it allows the City to complete projects and initiatives in the following fiscal year without negatively impacting the ensuing years budget.

LEGAL: The Department/Division has determined that there are no legal considerations associated with this matter. The Office of the City Solicitor was not specifically consulted with respect to this administrative report.

COMMUNICATIONS: There are no specific communications associated with this report as all projects have been approved through previous years budget processes.

SPOKESPERSON:

Alicia Keating, Assistant Director – Corporate Services/City Treasurer

Prepared by: *Alicia Keating, Assistant Director – Corporate Services/City Treasurer*

Approved by: *Michael Baldwin, Director – Corporate Services*

/Attachments 1) Previous Years Reserves Spent in 2021
2) 2021 Reserve Requests to Spend in 2022 and Beyond