

THE CITY OF SELKIRK

Administrative Report

To: Committee of the Whole
From: Kevin Richter, Director of Finance
Re: **Adoption of the 2017 Municipal Budgets**
Date: December 05, 2016

File Number: AR 090/16

Issue:

Administration requires Council to pass a resolution to adopt the 2017 Municipal Budgets in order to fund the operations of the City of Selkirk.

Strategic Impact:

4C Continued improvements in efficiency and convenience: By adopting the 2017 Municipal Budgets prior to the start of 2017, administration will be able to more efficiently and effectively act on 2017 initiatives.

Options/Alternatives:

1. Adopt the 2017 General Operating Fund Budget, 2017 Utility Operating Fund Budget, and 2017 Capital Budget.
2. Adopt the 2017 General Operating Fund Budget, 2017 Utility Operating Fund Budget, and 2017 Capital Budget with changes.
3. Adopt an Interim Operating Budget for 2017.

Administrative Recommendation:

RECOMMENDED THAT the Council of the City of Selkirk adopt the 2017 General Operating Fund Budget, 2017 Utility Operating Fund Budget, and 2017 Capital Budget; and

FURTHER THAT these budgets are subordinate to Council's approval of the 2017 Financial Plan.

Analysis:

This year administration continued down the path of substantial review and redevelopment of the municipal budget development process. Our goals continue to be:

- Develop municipal budgets that closely reflect the City's priorities as laid out in the Strategic Plan and through past direction of Council
- Participation of our full management team and used integrated planning methods
- Present Council with a budget they could support without substantial amendments
- Keep cost increases low and find existing efficiencies where possible
- Have a final budget in place before January 1, 2017

On September 28th, administration met with Council to review the proposed 2017 business initiatives and confirm prioritization by Council. Administration proceeded to prepare the 2017 budget using these standard assumptions. After much work and many revisions, administration presented the 2017 budget to Council on November 17th to receive feedback and direction. Council provided their feedback and direction during this meeting.

By approving the attached budgets, the City will take advantage of the benefits of having surety in its budget. For example, administration will prepare and release tender and other proposals into the marketplace early, helping the City get the best pricing possible.

Also, approving these budgets ensures cash flow funding is in place to continue the delivery of City services.

These budgets will be replaced by the 2017 Financial Plan which states the following under section 162 (1) of the Municipal Act:

“Every council must adopt a financial plan for each fiscal year in a form approved by the minister and consisting of

(a) an operating budget;

(b) a capital budget;

(c) an estimate of operating revenue and expenditures for the following fiscal year; and

(d) a five year capital expenditure program.”

Plus, the City of Selkirk will hold a public hearing in 2017 under section 162(2) of the Municipal Act which states the following:

“Before adopting the financial plan, the council must give public notice, and hold a public hearing, in respect of the plan.”

History:

In 2015, Council passed the 2016 budget prior to January 1, 2016. In 2014, Council passed the 2015 budget prior to January 1, 2015. Prior to this, administration had requested Council approval for an interim operating budget prior to the beginning of the next fiscal year till such time the Council adopted the financial plan. The interim operating budget request did not have any formal Council involvement in the amount requested by administration. The interim operating budget request included only summary expenditure amounts.

Background/Supporting Documents:

1. 2017 General Operating Budget
2. 2017 Utility Operating Budget
3. 2017 Capital Budget
4. 2017 City of Selkirk Budget Highlights