

Town of Riverview

COUNCIL REPORT FORM



Presented to: Mayor & Council

Department: Finance & Information Technology

Date: December 11, 2023

Subject: Transfers to Capital Reserve Funds (2023)

BACKGROUND *Use this section to provide a synopsis of the issue.*

Each December, Council votes on the Resolutions to transfer amounts to/from the Reserve Accounts. Municipalities are required by legislation to determine and then motion the amount to transfer before fiscal YE, December 31.

2023 Fund Transfer(s) Resolutions

General Fund

The 2023 Budget had \$2,000,000 allocated to be transferred to the General Capital Reserves. Due to the Town's General Fund Operating Surplus resulting from additional revenue, Director Parlee intends to transfer an additional \$300,000 into the reserves for a total of \$2,300,000.

Utility Fund

The 2023 Budget had \$100,000 allocated to be transferred to the Utility Capital Reserves, which is the amount included in the motion before council.

In Summary

Transfer to General Capital Reserves - the resolution shall be for \$2,300,000 versus the 2023 budget amount of \$2,000,000. These additional funds shall be used in connection with large scale capital projects over the next few years. During the 2024 budget process, Director Parlee projected \$2.3 million to be transferred; therefore, this source of financing is already factored into the financial projections.

Transfer to Utility Capital Reserves – the resolution shall be for \$100,000, which is based on the 2023 budget figure of \$100,000.

Director Parlee's intention is to calculate these numbers to the best of her ability so staff and Council can avoid having a second council meeting in December. Most municipalities do have a second meeting due to the sensitivity of this reserve calculation and knowing there are still 3 weeks left before fiscal year-end. As of today, Director Parlee is confident in this number, however, if over the course of the

next 2-3 weeks there are factors that could not have been known at this time or change beyond staff's expectation, there is a possibility we would need to transfer more or less out of the capital reserves, thereby requiring a Special meeting of Council.

CONSIDERATIONS

Legal: N/A

Financial:

Transfers are routine, budgeted and a normal part of the Town's financial planning and must occur prior to the Town's fiscal year end of December 31.

Policy: N/A

Stakeholders: N/A

Strategic Plan:

The above resolutions are consistent with the "Fiscal Responsibility" embedded in the Town's Strategic Plan.

Interdepartmental Consultation: N/A

Communication Plan:

The above shall be discussed in a public meeting on December 11, 2023.

OPTIONS

- 1) Approve Resolution(s)
- 2) Amend Resolution(s)

RECOMMENDATION FROM STAFF

Staff recommends that Council approve the Resolution(s) as presented.

Prepared by: Shannon Parlee, CPA (Director of Finance & Information Technology)