

Assistant CAO Report

For Meeting Date: August 30, 2024

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Date Prepared: September 11, 2024

Following the completion of the final phase of the Highway Water and Sewer Rehabilitation Project, all service replacements have been invoiced. Originally, we planned and budgeted to replace 74 services, however upon inspection there were significantly less services that required replacement during the final phase. We had also originally planned to capitalize our portion of the expenses related to sewer service line replacements, however after in depth conversations with our auditors regarding best practice, we are going to move our share of expenses into operating for this project. The rationale is that this infrastructure is not fully located on municipal property and is not something we're required to be responsible for during or after its useful life. It is somewhat complicated and this is the most straightforward approach that is in keeping with best practice. It will certainly have an effect on our financial statements, however it will not be overly significant. The original revenue per our operating budget was \$185,000 and actual totaled \$112,500 (-\$72,500) and expenditures were budgeted at \$925,000 but are more likely to be approximately \$650,000 (-\$275,000).

We have transferred all reserve funds previously held in trust to the Outlook-Rudy Joint Protective Services Committee (ORJPSC). We continue to work closely with ORJPSC and the Campaign Cabinet to issue donation receipts for the Fire Hall Project which has seen increased activity over the past few months.

As we enter the third quarter of 2024 the Executive Team will be meeting in September to discuss the 2025 Operating Budget and 2025-2034 Capital Plan. We intend to present a draft for current Council to review in October 2024. With 2025 being a revaluation year for assessment, and with Provincial and Municipal elections scheduled for fall 2024 there will be a lot of variables for us to consider, however each year we strive to present a clear and well-thought-out budget for consideration and this year will be no exception. I feel a great sense of pride in the growth our Executive Team has shown regarding budgeting and fiscal responsibility, they all take it very seriously and even look forward to budget discussions.

Heading into fall, Administration is also working closely with the Community Development department to organize and update cash handling procedures for the RecPlex Kitchen and Arena. This is not a response to a system that doesn't work, but rather an opportunity for us to fine tune and make our current procedures more efficient ahead of the 2024/25 winter season.