

**3. DISPOSITION OF 2020 TAX AND RATE SUPPORTED OPERATING
SURPLUS/DEFICIT
RÈGLEMENT DE L'EXCÉDENT/DU DÉFICIT DE 2020 DES OPÉRATIONS
FINANCÉES PAR LES RECETTES FISCALES ET LES REDEVANCES**

COMMITTEE RECOMMENDATIONS

That Council approve:

1. That the \$21.807 million 2020 operating surplus in City-Wide be transferred to the Tax Stabilization Reserve.
2. That \$1.107 million be transferred from the Tax Stabilization Reserve to fully fund Ottawa Police Services.
3. That \$13.185 million be transferred from the Transit Services Capital Reserve to fully fund the 2020 Transit Services program.
4. That the \$6.22 million 2020 operating surplus in Ottawa Public Library Services be transferred as follows:
 - a. \$1.22 million to the Library Reserve; and
 - b. \$5 million to the Ottawa Public Library/City portion of the Ottawa Public Library and Archives Canada Joint Facility.
5. That the \$4.359 million 2020 operating surplus in Water Services be transferred to the Water Reserve.
6. That \$194 thousand be transferred from the Wastewater Reserve to fully fund the 2020 Wastewater Services program.
7. That \$436 thousand be transferred from the Stormwater Reserve to fully fund the 2020 Stormwater Services program.
8. That \$170 thousand of the 2020 operating surplus in City-Wide be carried forward to 2021 to provide funding towards the Winter Maintenance Quality Standards review.

RECOMMANDATIONS DU COMITÉ

Que le Conseil municipal approuve que :

1. Le surplus des opérations de 21,807 millions de dollars du budget pour l'ensemble de la ville en 2020 soit transféré au fonds de réserve de stabilisation des taxes.
2. Un montant de 1,107 million de dollars du fonds de réserve de stabilisation soit transféré pour financer entièrement le Service de police d'Ottawa.
3. Un montant de 13,185 millions de dollars soit transféré du fonds de réserve pour les immobilisations du transport en commun pour financer entièrement le programme du Service de transport en commun de 2020.
4. Le surplus des opérations de 6,22 millions de dollars du budget de la Bibliothèque publique d'Ottawa en 2020 soit transféré de la façon suivante :
 - a. Un montant de 1,22 million de dollars au fonds de réserve de la bibliothèque;
 - b. Un montant de 5 millions de dollars à la portion publique/Bibliothèque publique d'Ottawa de l'installation partagée de la Bibliothèque publique d'Ottawa et de Bibliothèque et Archives Canada.
5. Le surplus des opérations de 4,359 millions de dollars du budget des Services d'eau en 2020 soit transféré au fonds de réserve pour les services d'eau.
6. Un montant de 194 000 dollars soit transféré du fonds de réserve pour les services d'eau pour financer entièrement le programme de traitement des eaux usées de 2020.
7. Un montant de 436 000 dollars soit transféré du fonds de réserve

pour des eaux pluviales pour financer entièrement le programme de gestion des eaux pluviales de 2020.

- 8. Le surplus des opérations de 2020 de 170 000 dollars du budget pour l'ensemble de la ville soit reporté à 2021 afin de financer la révision des Normes de qualité pour l'entretien hivernal.**

DOCUMENTATION/DOCUMENTATION

1. Deputy City Treasurer's Report, Corporate Finance Services, Finance Services Department, dated March 24, 2021 (ACS2021-FSD-FIN-0004)

Rapport de la Trésorière municipale adjointe, Services des finances municipales, Direction générale des services des finances, daté le 24 mars 2021, (ACS2021-FSD-FIN-0004)

2. Extract of draft Minutes, Finance and Economic Development Committee, 6 April 2021.

Extrait de l'ébauche du procès-verbal, Comité des finances et du développement économique, le 6 avril 2021.

**Report to
Rapport au:**

**Finance and Economic Development Committee
Comité des finances et du développement économique
6 April 2021 / 6 avril 2021**

**and Council
et au Conseil
14 April 2021 / 14 avril 2021**

**Submitted on March 24, 2021
Soumis le 24 mars 2021**

**Submitted by
Soumis par:**

**Isabelle Jasmin, Deputy City Treasurer, Corporate Finance, Finance Services
Department / Trésorière municipale adjointe, Services des finances municipales,
Direction générale des services des finances**

Contact Person

Personne ressource:

**Nouny Munelith, Program Manager, Planning and Budgeting, Corporate Finance,
Finance Services Department / Gestionnaire de Programme, Planification et
Budgétisation, Services des finances municipales, Direction générale des
services des finances**

613-580-2424 extension / poste 25877, Nouny.Munelith@ottawa.ca

Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2021-FSD-FIN-0004

**SUBJECT: DISPOSITION OF 2020 TAX AND RATE SUPPORTED OPERATING
SURPLUS/DEFICIT**

**OBJET: RÈGLEMENT DE L'EXCÉDENT/DU DÉFICIT DE 2020 DES
OPÉRATIONS FINANCÉES PAR LES RECETTES FISCALES ET LES
REDEVANCES**

REPORT RECOMMENDATIONS

That the Finance and Economic Development Committee recommend Council approve:

- 1. That the \$21.807 million 2020 operating surplus in City-Wide be transferred to the Tax Stabilization Reserve.**
- 2. That \$1.107 million be transferred from the Tax Stabilization Reserve to fully fund Ottawa Police Services.**
- 3. That \$13.185 million be transferred from the Transit Services Capital Reserve to fully fund the 2020 Transit Services program.**
- 4. That the \$6.22 million 2020 operating surplus in Ottawa Public Library Services be transferred as follows:**
 - a. \$1.22 million to the Library Reserve; and**
 - b. \$5 million to the Ottawa Public Library/City portion of the Ottawa Public Library and Archives Canada Joint Facility.**
- 5. That the \$4.359 million 2020 operating surplus in Water Services be transferred to the Water Reserve.**
- 6. That \$194 thousand be transferred from the Wastewater Reserve to fully fund the 2020 Wastewater Services program.**
- 7. That \$436 thousand be transferred from the Stormwater Reserve to fully fund the 2020 Stormwater Services program.**
- 8. That \$170 thousand of the 2020 operating surplus in City-Wide be carried forward to 2021 to provide funding towards the Winter Maintenance Quality Standards review.**

RECOMMANDATIONS DU RAPPORT

Que le Comité des finances et du développement économique recommande au Conseil municipal d'approuver que :

- 1. Le surplus des opérations de 21,807 millions de dollars du budget pour l'ensemble de la ville en 2020 soit transféré au fonds de réserve de stabilisation des taxes.**
- 2. Un montant de 1,107 million de dollars du fonds de réserve de stabilisation soit transféré pour financer entièrement le Service de police d'Ottawa.**
- 3. Un montant de 13,185 millions de dollars soit transféré du fonds de réserve pour les immobilisations du transport en commun pour financer entièrement le programme du Service de transport en commun de 2020.**
- 4. Le surplus des opérations de 6,22 millions de dollars du budget de la Bibliothèque publique d'Ottawa en 2020 soit transféré de la façon suivante :**
 - a. Un montant de 1,22 million de dollars au fonds de réserve de la bibliothèque;**
 - b. Un montant de 5 millions de dollars à la portion publique/Bibliothèque publique d'Ottawa de l'installation partagée de la Bibliothèque publique d'Ottawa et de Bibliothèque et Archives Canada.**
- 5. Le surplus des opérations de 4,359 millions de dollars du budget des Services d'eau en 2020 soit transféré au fonds de réserve pour les services d'eau.**
- 6. Un montant de 194 000 dollars soit transféré du fonds de réserve pour les services d'eau pour financer entièrement le programme de traitement des eaux usées de 2020.**
- 7. Un montant de 436 000 dollars soit transféré du fonds de réserve pour des eaux pluviales pour financer entièrement le programme de gestion des eaux pluviales de 2020.**

- 8. Le surplus des opérations de 2020 de 170 000 dollars du budget pour l'ensemble de la ville soit reporté à 2021 afin de financer la révision des Normes de qualité pour l'entretien hivernal.**

BACKGROUND

As part of the finalization of 2020 operations and the preparation of the 2020 financial statements, Council approval is required for the disposition of any surplus or funding of any deficit. This report provides an analysis of the results of the 2020 operations for all tax and rate-supported City programs, and of COVID-19 funding applied to the 2020 operating results from the upper levels of government.

DISCUSSION

Year-End Results

The City of Ottawa has several operations funded from sources that cannot be co-mingled, or which require separate reporting. The year-end results are presented by business area. These business areas include City-Wide services, Ottawa Police Services (OPS), Ottawa Public Library (OPL), Transit Services, Water, Wastewater and Stormwater Services. For services such as Transit and Police that have their own tax rate, these business area results include both the operating results and an allocation of the various taxation related revenue and expenditure accounts.

The City-Wide tax-supported services ended the year with a \$21.977 million surplus in comparison to the 2020 forecast of \$13.074 million surplus that was provided in the 2020 Tax and Rate Operating and Capital Q2 Status and COVID-19 Financial Mitigation Report on October 6, 2020. Throughout the year, staff tracked all COVID-19 financial impacts. These included increases in expenses such as enhanced cleaning, personal protective equipment (PPE), retrofits, equipment, social services; costs savings due to temporary closure of facilities and reduced service levels; and revenue reductions primarily for transit and recreational services. The total net impact of COVID-19 was \$238.5 million, including Transit, OPS and Ottawa Public Health (OPH). The full amount of this budget pressure was recovered from provincial and federal government COVID-19 funding, including the Safe Restart Agreement (SRA), Social Services Relief Fund (SSRF), Ministry of Health, Temporary Pandemic Pay, and various other service-specific funding allocations. The only unrecovered portion was \$3.6 million in Transit costs incurred at the beginning of the pandemic in March, which was prior to the

eligibility period for the SRA funding commencing April 1, 2020. This amount is included in the overall 2020 final net financial results for Transit.

The remaining surplus reported for 2020 is due to all the other “non-COVID-19” cost savings initiatives implemented by senior leadership as a financial mitigation strategy to help mitigate any unfunded COVID-19 budget pressures. The savings can now be used to help offset any additional unfunded COVID-19 pressures in 2021, if required. Financial mitigation strategies implemented in 2020 primarily included discretionary spending and hiring pauses. The surplus also included non-COVID-19 increases in development fee revenues and was offset by non-COVID-19 related deficits, primarily for tax rebates and remissions, returned funding from Paramedics and additional Transit Services operating costs. Document 1 presents a summary of the year-end operating results by business area.

The Transit Services operating budget, which falls under the mandate of the Transit Commission, finished 2020 with a \$11.096 million deficit in comparison to the 2020 forecast of \$12.407 million deficit which was provided in the 2020 Transit Operating and Capital Q2 Status and COVID-19 Financial Mitigation Report on September 16, 2020. The various taxation related accounts are allocated to the business area, and due to additional tax rebates, remissions and supplementary assessments, Transit ended with a \$13.185 million deficit.

The OPS operating budget, which falls under the Police Services Board mandate, finished 2020 with a \$6 thousand deficit in comparison to the 2020 forecast of maintaining a balanced budget position which was provided in the 2020 second quarter Financial Status Report to the Police Services Board on July 27, 2020. Once the various Police taxation related accounts are allocated to the business area, the result is an overall \$1.107 million deficit.

The Library Services operating budget that falls under the OPL Board mandate, finished 2020 with a \$6.277 million surplus in comparison to the 2020 forecast of \$3.546 million surplus which was provided in the Second Quarter 2020 Financial Statements to the Board on September 8, 2020. Once the various Library taxation related accounts are allocated to the business area, the result is an overall \$6.22 million surplus. As approved in the Fourth Quarter 2020 Financial Statements Report ([OPLB-2021-0302](#)) on March 9, 2021, \$1.22 million of the \$6.22 million surplus will be contributed to the

Library Reserve and \$5 million will be contributed to the OPL/City Portion of the OPL and Archives Canada Joint Facility Project.

The following provides a brief overview of the major areas that contributed to the 2020 year-end results. Additional information is provided in Document 2.

Tax-Supported City-Wide

Departmental Accounts

Transportation Services \$1.623 million surplus:

The surplus is attributable to Traffic Services' compensation savings of \$649 thousand and cost savings of \$920 thousand from fewer red light camera installations. The surplus is also due to higher revenues of \$500 thousand related to the installation of traffic control signals, partially offset by expenses of \$632 thousand related to the implementation of the Automated Speed Enforcement Program.

Community and Social Services \$3.041 million surplus:

The surplus is driven by lower demand for employment-related benefits of \$2.2 million, delays in community programs of \$1.5 million, and higher provincial revenues for housing services, long-term care and emergency childcare of \$1.1 million. These surpluses are reduced by a deficit of \$1.5 million in housing services due mostly to the increase in emergency shelter costs.

Public Works and Environmental Services \$698 thousand surplus:

The surplus is primarily due to lower than budgeted winter maintenance costs of \$3.1 million and higher than expected Rideau River Ice Control revenues from the Rideau Valley Conservation Authority of \$948 thousand offset by an increase in fleet costs of \$2.7 million. Solid Waste has a net deficit of \$786 thousand due to increased compensation, contract and equipment costs associated with demand increases in waste, recycling and green bin collection and offset by increased soil revenues from LRT and other construction projects and increased Resource Productivity and Recovery Authority Provincial funding.

Emergency & Protective Services \$2.768 million deficit:

The department's net deficit is mainly attributable to the reimbursement of a 2019 related Provincial surplus of \$3.8 million in funding to the Province for Paramedic Services and increased departmental Work Place and Safety Insurance Board (WSIB) costs, partially offset by compensation and discretionary spending savings, fleet cost savings and increased revenues for Community Paramedicine Agreements and Provincial funding for a Neonatal Transport Program.

Recreation, Cultural and Facility Services \$955 thousand surplus:

The department's net surplus of \$955 thousand is mainly due to reduced expenditures as a result of part-time staff placed on emergency leave, facility closures and savings from discretionary spending plus increased HST rebates in relation to prior years that were offset by revenue losses from recreational programs, facility rentals and advertising and sponsorship.

Finance Services \$2.741 million surplus:

The surplus is driven by savings from vacancies and discretionary spending savings of \$1.5 million, plus additional revenues from water and tax billing services of \$600 thousand and additional cost savings of \$640 thousand.

Planning, Infrastructure & Economic Development \$7.404 million surplus:

The net surplus is attributable to savings of \$4.3 million from discretionary spending and savings from vacancies, increased revenues of \$3.1 million from inspection, temporary encroachment, pool enclosure fees and development fees.

Innovative Client Services \$2.452 million surplus:

The surplus is attributable to savings from vacancies, discretionary spending savings, cancelled training, partially offset by increased legal fees.

Non-Departmental Accounts

Financial Charges \$4.585 million surplus:

The surplus is attributed to lower financial charges in relation to cost of new debt, merchant fees and bank charges.

**Automated Speed Enforcement Program \$2.553 million surplus/Investment
Income \$1.160 million deficit:**

The surplus results from higher than expected revenue from automated speeding tickets in select school zones since the pilot program started in July 2020. The deficit in investment income is due to lower rates of return on investments.

Tax Rebates and Remissions \$7.410 million deficit:

The deficit is due to the settlement of multiple year high value property appeals at the end of the tax cycle resulting in higher tax remission expenditures.

Supplementary Assessment \$2.86 million surplus:

The supplementary assessment revenues were higher than projected due to a higher number of residential properties being added to the property assessment base.

Tax-Supported - Transit Services \$13.185 million deficit:

Transit's operating budget that falls under the Transit Commission mandate resulted in a \$11.096 million deficit. The deficit is attributable to O-Train Service mitigation costs, reduced revenues due to a 2020 fare freeze as decided by Council, non-recoverable COVID-19 costs of \$3.6 million, higher liability claims, offset by operational savings. Once the various Transit taxation related accounts are allocated to the business area, the result is an overall \$13.185 million deficit.

This deficit is funded by the Transit Capital Reserve which was supplemented by \$20.4 million in deferred projects in 2020, as described in the 2020 Transit Operating and Capital Q2 Status and COVID-19 Financial Mitigation Report.

Tax-Supported - Police Services \$1.107 million deficit:

The OPS deficit is only \$6 thousand for 2020 but once the various Police taxation related accounts are allocated to the business area, the result is an overall \$1.107 million deficit. This deficit is then funded by the Tax Stabilization Reserve.

Tax-Supported - Library Services \$6.22 million surplus:

This surplus is mainly driven by part-time staff placed on emergency leave due to facility closures that resulted in lower compensation, facility operation and discretionary spending savings partially offset by related revenue losses. Once the various Library taxation related accounts are allocated to the business area, the result is an overall \$6.22 million surplus that will be contributed to the Library Reserve.

Rate-Supported Programs

Drinking Water Services \$4.359 million surplus:

The surplus is mainly due to savings from vacancies, savings in utility costs, lower debt servicing costs and reduced repair costs, as a result of fewer water main breaks due to a mild winter. This was partially offset with decreased revenues due to a shift of consumption between tiers.

Wastewater Services \$194 thousand deficit:

The deficit is mainly due to decreased revenues due to a shift of consumption between rate tiers offset by lower wastewater maintenance as the focus was shifted to stormwater systems.

Stormwater Services \$436 thousand deficit:

The deficit is mainly driven by increased maintenance on the stormwater system which was offset by higher revenues due to higher growth on the number of properties.

Disposition of Surplus and Deficits:

The surpluses and deficits in the various business areas are recommended to be disposed of as outlined in Table 1.

Table 1 – Disposition of Surplus and Deficits
(In thousands of dollars)

	Tax-Supported					Rate	Total
	City-Wide	Police	Transit	Library	Total Tax-Supported	Water & Sewer	
Overall City Surplus/(Deficit) per Document 1	21,977	-1,107	-13,185	6,220	13,905	3,729	17,634
<u>1 - Disposition per existing by-laws/ Council direction:</u>							
Transfer to Housing Reserve	0	0	0	0	0	0	0
Total Disposition	0	0	0	0	0	0	0
Remaining Surplus /(Deficit)	21,977	-1,107	-13,185	6,220	13,905	3,729	17,634
<u>2 - Disposition of Surplus and Deficits</u>							
City-Wide Reserve - Roads	-170	0	0	0	-170	0	-170
Transit Reserve	0	0	13,185	0	13,185	0	13,185
Library Reserve	0	0	0	-6,220	-6,220	0	-6,220
Tax Stabilization	-21,807	1,107	0	0	-20,700	0	-20,700
Police Reserve	0	0	0	0	0	0	0
Water Reserve	0	0	0	0	0	-4,359	-4,359
Wastewater Reserve	0	0	0	0	0	194	194
Stormwater Reserve	0	0	0	0	0	436	436
	-21,977	1,107	13,185	-6,220	-13,905	-3,729	-17,634
Remaining Balance	0	0	0	0	0	0	0

Additional Year-End Adjustments

Funding provided in 2020 for the Winter Maintenance Quality Standards (WMQS) review project were not fully spent due to delays caused by COVID-19. The recommendation to carry forward \$170 thousand of the Public Works & Environmental

Services operating revenue surplus is required to allocate funding towards the completion of the WMQS review in 2021.

The investment in this review will improve delivery of roads winter maintenance services.

2020 COVID-19 Deficit and Government Funding

The total COVID-19 deficit for 2020 was \$238.5 million compared to the estimated \$181.8 million reported in the Proposed 2021 Budget Directions Report ([ACS2020-FSD-FIN-0022](#)) submitted on September 25, 2020.

The \$181.8 million projected deficit included both City-Wide and Transit Services projected COVID-19 pressures but did not include Ottawa Police Services and OPH. It also reflected the cost of COVID-19 for Social Services net of the SSRF funding. In order to report the full impact of COVID-19 and all sources of government funding received, this report includes the total COVID-19 gross budget pressure for all service areas impacted as detailed in Table 2 and the funding received from upper levels of government to offset this amount is detailed in Table 3.

Table 2 – 2020 Total COVID-19 Budget Pressures
(in thousands of dollars)

	Cost Increases	Cost Savings	Revenue Losses	Total Net COVID-19 Pressure/ (Savings)
Tax-Supported Programs				
City Clerk & Solicitor	902	-967	0	-65
Transportation Services	2	-1,190		-1,188
Community and Social Services	55,035	-4,968	0	50,067
Public Works & Environmental Services	3,113	-2,321	7,919	8,711
Emergency and Protective Services	8,666	-987	12,378	20,057
Recreation, Cultural and Facility Services	6,175	-33,009	43,897	17,063

	Cost Increases	Cost Savings	Revenue Losses	Total Net COVID-19 Pressure/ (Savings)
Planning, Infrastructure & Economic Development	282	0	785	1,067
Innovative Client Services Department	1,455	0	534	1,989
Non-Departmental	0	0	10,165	10,165
Total City-Wide Operations	75,630	-43,442	75,678	107,866
Transit Services	13,021	-12,835	108,095	108,281
Ottawa Police Services	2,600		1,040	3,640
Ottawa Public Health*	19,071	-383	-	18,688
Total Tax-Supported Programs	110,322	-56,660	184,813	238,475
*Note: OPH had \$320,000 surplus at year-end from general revenues due to sale of goods and fee for services. This surplus was used against any outstanding COVID-19 costs before final funding allocation from the Province.				

Sufficient funding was received from the Provincial and Federal governments to recover all the costs associated with COVID-19 in 2020. Table 3 provides a listing of all the COVID-19 funding program allocations confirmed by upper levels of government for the City of Ottawa. Of the total \$345.1 million confirmed to date for 2020, some of which can be used until March 31, 2021; \$238.1 million was applied to cover deficits in 2020 for tax-supported services (\$107.9 million), Transit Services (\$108.3 million), OPS (\$3.6 million) and OPH Services (\$18.3 million). The remaining \$320 thousand COVID-19 pressure for OPH was covered by a small non-COVID-19 surplus from other revenues.

Table 3 – COVID-19 Funding from Senior Levels of Government

(in thousands of dollars)

Source	Funding Program	Funding Allocation	Funding Applied	Eligible to Use in 2021
Federal/ Provincial	Safe Restart Agreement (SRA) – Municipal Stream	62,749	54,224	8,525
Federal/ Provincial	Safe Restart Agreement (SRA) – Transit Stream	170,305	108,281	62,024
Federal/ Provincial	Social Services Relief Fund (SSRF)	31,660	14,902	16,758
Provincial	Children's Services	13,382	13,007	375
Provincial	Infection Prevention and Containment	5,709	5,709	
Provincial	Temporary Pandemic Pay	8,374	7,122	
Provincial	Paramedic	9,304	6,992	
Provincial	Temporary Wage Enhancement	611	611	
Provincial	Special Needs and Seniors Centres	422	3	
Provincial	Ministry of Health - Extra-Ordinary COVID-19 Expense (OPH)	25,084	18,342	6,742
Federal	Reaching Home Program: Homelessness support	1,648	1,648	
Federal	Reaching Home Program: COVID-19 Economic Response Plan	14,680	6,347	8,333
FCM/CMA	Partnership grant to support homelessness and housing services	636	636	
Federal	Canadian Foundation Healthcare Improvement	40	40	
Federal	Emergency -Heritage - Museum Program	256	6	250
Federal	Canada Summer Jobs	250	250	
	Total	345,110	238,120	103,007

Many of the government COVID-19 funding programs, prescribed a funding allocation up to a maximum amount, and any unused funds cannot be carried forward to 2021. For this reason, there are some funding programs listed in Table 3, where the allocation is greater than funding applied in 2020 but the funding deferred to 2021 is zero. For some funding programs, such as the SSRF and the Transit SRA, the 2020 funding allocation is eligible to the end March 31, 2021. The SRA Municipal Stream funding allocated to the City in 2020 is slightly higher than what was required for that fiscal year, but the agreement allows municipalities to carry over any unused funds to be used anytime in 2021 up until December 31.

In total, there is \$103 million in unused funding that was allocated in 2020 that can be used in 2021. \$79.4 million of this total must be used by March 31, 2021 and any unused funds must be returned, and the remaining \$23.6 million can be used throughout 2021.

The City has also received confirmation of additional funding for 2021 that can be used up to the end of December 31, 2021. The Province has confirmed additional Transit SRA funding for April to December 31, 2021 of \$73.3 million that can be combined with the \$62 million that will need to be spent by March 31, 2021.

For the SRA Municipal stream the additional funding confirmed for 2021 is \$54.3 million, combined with the deferred amount of \$8.5 million for a total of \$62.8 million available for COVID-19 pressures in tax-supported services for 2021. Additional SSRF funding of \$22.3 million, eligible from March 1 to December 31, 2021 has also been confirmed. This is in addition to the \$16.8 million in SSRF funding that can be used until the end of March 2021.

Continuity of Reserves and Reserve Funds

Document 3 presents a continuity schedule of the City's reserves and reserve funds. The schedule reflects the impact on reserve balances of the recommendations as presented in this report.

Budget Adjustments

During the year, adjustments to budgets are made to better reflect the alignment of budget authority with spending needs. These transfers are made either through the delegated authority given to the Treasurer/Chief Financial Officer or through Council-approved reports. Document 4 shows the changes in budgets processed since the June 30, 2020 Quarterly Status Report. Council policy requires the reporting of these transactions for information purposes.

RURAL IMPLICATIONS

There are no rural implications associated with this report.

CONSULTATION

Not applicable.

LEGAL IMPLICATIONS

There are no legal impediments to approving the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk impediments to implementing the recommendations in this report.

FINANCIAL IMPLICATIONS

The financial implications are outlined in the report.

ACCESSIBILITY IMPACTS

There are no accessibility implications with this report.

TERM OF COUNCIL PRIORITIES

This report supports the City's on-going commitment to financial sustainability and transparency.

SUPPORTING DOCUMENTATION

Document 1 – 2020 Operating Status Summary

Document 2 – Operating Budget Corporate Summary

Document 3 – Reserve Continuity Schedule

Document 4 – Budget Adjustments and Transfers Impacting Overall Expenditures/
Revenues

DISPOSITION

Staff will implement the report recommendations as outlined in the report.