

Request for Decision

Title	2025 Capital Funding Summary and Reallocations
Proposed Motion	<ol style="list-style-type: none"> 1. That Council approve the 2024 Capital Housekeeping Amendments with funding identified in Attachment 1 for the capital projects identified in Attachment 2. 2. That Council fund the 1D Starkey Road & Pedestrian Bridge in the amount of \$715,000 to be funded from the Municipal Infrastructure Reserve to be repaid with the 2024 capital surplus.
Administrative Recommendation	Administration recommends that Council approve the 2024 Capital Housekeeping amendments as proposed. Further, Administration recommends that Council approve the additional funding request for the 1D Starkey Road & Pedestrian Bridge from the Municipal Infrastructure Reserve which will be repaid with the 2024 capital surplus.
Previous Council / Committee Direction	<p><u>March 25, 2025 Regular Council Meeting</u> Motion 102/25: That Council direct Administration to prepare the 2025 Taxation Rates Bylaw to reflect a municipal tax rate reduction from 1.66% to 0% by using the additional tax revenue anticipated from the annual assessment declaration in 2025, and by replacing new 2025 debt with \$5.0 million from the Municipal Tax Stabilization Reserve to be repaid by the 2024 operating surplus.</p> <p><u>March 11, 2025 Regular Council Meeting</u> Motion 089/25: That Council approve the Financial Reserve Policy as amended, adjusting the title of the Offsite Recreation Investment Reserve to Offsite Levy Recreation Investment Reserve.</p> <p><u>November 26, 2024 Committee of the Whole</u> That the Committee accept the 2024 Audit Service Plan as information.</p> <p><u>November 19, 2024 Regular Council Meeting</u> Motion 363/24: That Council approve the reallocation of \$3,000,000 in debt funding from the General Operating Reserve, to be repaid by the 2024 operating surplus, subject to Council review prior to considering the 2025 Tax Rate Bylaw.</p> <p><u>October 8, 2024 Committee of the Whole</u> Motion 145/24: That the Committee accept the 2024 T2 Financial Report for the period ended August 31, 2024 as information.</p>

	<p><u>June 11, 2024 Committee of the Whole</u> Motion 091/24: That the Committee receive the 2024 T1 Financial Report for the period ended April 30, 2024 as information.</p> <p><u>May 14, 2024 Regular Council Meeting</u> Motion 167/24: That Council approve the Town of Legal funding request for \$750,000 in payments of \$125,000 annually for six years commencing in 2025 and concluding in 2030 for the Legal Arena and Curling Rink Retrofit Project, to be funded from the General Operating Reserve.</p> <p><u>December 12, 2023 Regular Council Meeting</u> Motion 451/23: That Council approve the 2024 Operating Budget as amended by motions passed on November 22 and 23, 2023.</p> <p>Motion 452/23: That Council approve adjustments to the 2024-2025 Capital Budgets as amended by motions passed on November 22 and 23, 2023.</p> <p>Motion 453/23: That Council approve in principle the 2025-2027 Operating Financial Forecast and the 2026-2029 Capital Financial Forecast as presented in the consolidated Operating and Capital Budget and amended by motions passed on November 22 and 23, 2023.</p>
Report	<p><u>Background Information</u></p> <p>2024 Capital Housekeeping Amendments (Proposed Motion 1)</p> <ul style="list-style-type: none"> • The 2024 capital budget provided \$28.0 million in project funding carried forward from 2023, \$49.0 million of newly approved projects, and a reduction of \$4.5 million in projects, which, during 2024, through in-year approvals, amount to a total of \$72.5 million in capital budget authority. • The 2024 year-end capital reconciliation resulted in a complete review of budget and funding authorities, management-identified savings and shortfalls, and future project funding needs. <ul style="list-style-type: none"> ○ Of the \$72.5 million capital budget authority, \$42.7 million was spent (including capital authority used for operations in the amount of \$1.4 million), \$14.7 million was released in budget authorities, \$8.8 million requires funding, and \$23.9 million is being carried forward into 2025. ○ Of the net \$5.9 million funding released was from the following funding areas: <ul style="list-style-type: none"> ▪ Release of debt funding - \$0.6 million ▪ Release of conditional grant funding - \$0.5 million ▪ Release of non-conditional grant and reserve funding - \$5.4 million ▪ Additional revenue from offsite levies and sale of assets - \$0.6 million

	<ul style="list-style-type: none"> ○ The \$8.8 million in funding required consists of \$1.1 million in 2024 capital budget authority shortfalls with their program area and \$7.7 million reallocated throughout their program. The capital housekeeping amendment is summarized in Attachment 2. ○ Reserves and discretionary funding, once balanced between funding released and funding required, was favourable in the amount of \$5.4 million. Further details are provided in Attachment 1 and 2. <ul style="list-style-type: none"> ▪ At the program level, funding was generally balanced or favourable, except for the open spaces and drainage programs. For the open space program, in a prior year-end housekeeping amendment funding was released that should have been carried over for project requirements. For drainage, other favourable balances within the infrastructure programs offset this overage. ○ Non-discretionary and restricted funding, once balanced between funding released and funding required (where eligible), was favourable in the amount of \$0.4 million. Further details are provided in Attachment 1. <p>1D Starkey Road & Pedestrian Bridge Funding Request (Proposed Motion 2)</p> <ul style="list-style-type: none"> • The Starkey Road Pathway and Pedestrian Bridge Open Space Capital Project underwent an alignment change due to land acquisition challenges. As a result, an additional 400 meters of pathway will need to be constructed on the north side of the bridge within Bellerose Park to connect to the existing trail network. The project faces notable site challenges, as it is located within a floodplain and wetland area, requiring additional design considerations and construction mitigation measures. The total approved budget for the project \$4.48M including \$1.7M from the federal Active Transportation Fund. <p><u>External Communication</u></p> <ul style="list-style-type: none"> • Meeting agenda and minutes will be published on the Sturgeon County website. <p><u>Relevant Policy/Legislation/Practices</u></p> <ul style="list-style-type: none"> • Reserve Policy • Capital Budgeting Policy
<p>Implication of Administrative Recommendation</p>	<p><u>Strategic Alignment</u></p> <p>Collaborative Governance - Administration presents this information as part of the year-end processes to ensure that clear, transparent processes are adhered to and communicated.</p> <p>Operational Excellence – Reconciling and accounting for this information supports Council’s ability to make short and long-term financial plans by ensuring accurate and organized financial records are available to support future capital strategic needs.</p>

	<p><u>Organizational</u></p> <ul style="list-style-type: none"> Administration will continue working on capital projects that were carried forward from 2024 to completion and account for the necessary reserve transfers. <p><u>Financial</u></p> <p>1D Starkey Road & Pedestrian Bridge Funding Request (Proposed Motion 2)</p> <ul style="list-style-type: none"> Reallocation \$715,000 from the 2024 capital surplus to the 1D Starkey Road & Pedestrian Bridge project through the Lifecycle and Capital Asset Management Reserve Category.
Alternatives Considered	That Council not approve the additional funding request for the 1D Starkey Road & Pedestrian Bridge project of \$715,000.
Implications of Alternatives	<p><u>Strategic Alignment</u> Dependent on Council direction.</p> <p><u>Organizational</u> Dependent on Council direction.</p> <p><u>Financial</u></p> <ul style="list-style-type: none"> A decision not to approve the additional budget authority and funding requested for 2024 may result in project overages at completion. Administration would work to stay within budget and report through the triannual reporting program if issues arise. Inability to complete the project due to funding restrictions.
Follow up Action	1. Reconcile 2025 Capital Budget (Corporate Finance and Treasury, May 2025).
Attachment(s)	1. Attachment 1: Net Funding and Financing Adjustment Summary 2. Attachment 2: Capital Housekeeping Amendment 3. Attachment 3: Reserve Policy
Report Reviewed by:	Sabrina Duquette, Manager, Corporate Finance and Treasury Services Max Adu-Safo, Director, Transportation and Engineering Services Andrew Hayes, General Manager, Financial Services and Chief Financial Officer Travis Peter, Chief Administrative Officer

Strategic Alignment Checklist

Vision: *Offering a rich tapestry of historical, cultural, and natural experiences, Sturgeon County is a municipality that honours its rural roots and cultivates desirable communities. Uniquely situated to provide world-class agricultural, energy, and business investment opportunities, the County prioritizes responsible stewardship and dreaming big.*

Guiding Principles: Collaboration | Accountability | Flexibility | Excellence | Safety | Future Readiness | Affordability | Innovation

Community Outcome	Not consistent	Consistent	N/A
Planned Growth			
<ul style="list-style-type: none"> Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Modern broadband and digital capabilities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Low cost, minimal red-tape regulations 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Thriving Communities			
<ul style="list-style-type: none"> Beautiful, surprising places with high standards; integrated natural spaces & trail systems; healthy and resilient 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Engaging cultural, historical, and civic amenities; strong community identity and pride 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environmental Stewardship			
<ul style="list-style-type: none"> Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Sustainable development; partnerships with industry and others to drive emission reductions 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative Governance			
<ul style="list-style-type: none"> Predictable and stable external relationships; volunteer partnerships 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Meaningful connections with Indigenous communities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Respectful and informed debate; clear and supportive governance processes 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Operational Excellence			
<ul style="list-style-type: none"> Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Quality cost-effective service delivery; robust procurement and operational practices and policies; asset management and performance measurement; careful debt and reserve stewardship; long-term financial planning and sustainability 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Future focused thinking to proactively respond to emerging opportunities and challenges 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Alternative revenue generation and service delivery models integrated strategic and business planning 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>