 Committee Report

# Report TR-TAPS-07-14

**To**: Chair and Members of the Transportation and Public Safety Committee

**From**: M.J. Kelly, Director of Transportation Services

**Meeting Date**: December 5, 2013

**Subject**: Transportation Services Year End Financial Projection and Treatment of Year End Budget Surplus/Deficit – 2013

**Status**: Recommendation adopted by Committee as presented per Resolution TAPS07-14 December 5, 2013; Endorsed by County Council per Resolution CC12-14 January 9, 2014;

## Recommendation(s)

**THAT Report TR-TAPS-07-14 regarding the treatment of surplus and/or deficit positions at year end for the Transportation Services Department be received;**

**AND THAT $418,000 for the following two projects included in the 2013 budget but not scheduled for completion until 2014 be transferred to reserve for use in 2014:**

* **Critical Deficiency Study Report - $20,000**
* **Grey Road 31 Road Construction - $398,000**

**AND FURTHER THAT the remaining surplus/deficit funds from the Transportation Services Department at year end be transferred to/from the Transportation Services General Reserve.**

## Background

Report TR-TAPS-41-13 provided a financial update based upon September 2013 financial statements and a projected $717,000 could result at year end. The projection has been updated to take into account additional information on winter maintenance costs, and a surplus of $637,000 is now anticipated and is summarized as follows:

| **Budget/Function** | **Surplus / (Deficit)** |
| --- | --- |
| Summer Maintenance | $200,000 |
| Winter Maintenance | ($180,000) |
| Equipment Operations | $0 |
| Quarry | ($63,000) |
| Construction/Resurfacing/Minor Capital | $500,000 |
| Asset Management/Studies | $50,000 |
| Housing and Depots | $130,000 |
| Supervision and Overhead | $0 |
| **TOTAL** | **$637,000** |

The amount of winter maintenance required for the remainder of 2013 cannot be identified at this time. However it is anticipated that the end of the year surplus for the Transportation Services Department will be approximately $637,000.

### Projects to Carry Forward to 2014

The following is a summary of the projects that were budgeted for 2013 that have not been completed and were presented in the 2014 budget as being carried forward; staff requests that funds for these projects be transferred to reserve for use in 2014:

* Critical Deficiency (Roads) Study Report $20,000
* Road Construction Grey Road 31 $298,000. Staff requests an additional $100,000 be transferred to reserve in order to fund spot repairs on Grey Road 31 to the north of the construction site. The projected Construction surplus has taken into consideration this proposed transfer of $398,000.

## Financial / Staffing / Legal / Information Technology Considerations

It is projected that the Transportation Services budget will end the year with an overall surplus of approximately $637,000. Staff recommends that the surplus be transferred to the Transportation Services General Reserve.

## Link to Strategic Goals / Priorities

The analysis of current financial statements compared to the approved budget is a key mechanism to ensure Council’s goals of ensuring financial sustainability and ongoing public accountability are maintained.

Respectfully submitted by,

M.J. Kelly
Director of Transportation Services