

Priorities Committee Meeting_Jun12_2018

STRATEGIC INITIATIVE AND UPDATE**2017 Planned spending on capital projects****Report Purpose**

To present information on capital project planning, execution and reporting with consideration of the 2017 planned spending.

Council History

April 24, 2018 – The 2017 Audit Findings Report for the year ended December 31, 2017 was presented to Council

April 24, 2018 – Council Approved the Strathcona County 2017 Audited Financial Statements

April 17, 2018 – The 2017 Annual Management Report was presented to Priorities Committee.

Strategic Plan Priority Areas

Economy: n/a

Governance: Quarterly reporting supports public involvement and communication with the community on issues affecting the County's future. This also provides for good governance by supporting strong fiscal management of programs and organizational capacity.

Social: n/a

Culture: n/a

Environment: n/a

Other Impacts

Policy: FIN-001-010: Financial Reporting; FIN-001-027 Tangible Capital Assets Financial Reporting Policy; FIN-001-024 Financial Reserves Policy

Legislative/Legal: n/a

Interdepartmental: All Departments

Summary

Capital projects are a key component to the delivery of services in Strathcona County and contribute to achieving the strategic goals. The capital planning, execution and reporting are guided by the Municipal Government Act (MGA), Public Sector Accounting Standards (PSAS), and internal policies.

During the business planning and budget cycle, the full costs and funding for capital projects are considered and approved, including those that are multi-year in nature. If there are any changes to scope, cost, or funding a capital budget amendment is brought forward to Council for consideration before proceeding.

Key information regarding capital activity is shared with Council through the quarterly management reports, including annual planned spending and project status. The planned spending is also reported in the audited financial statements in accordance with PSAS. If there are changes to the planned project execution, there is an opportunity to re-forecast planned spending annually. The differences between planned and actual spending are presented using variance categories. These categories were created to provide explanations for the large volume of project activities in a concise format. Individual projects are monitored through internal processes.

The observation regarding the variance between the planned capital spending and the actual expense incurred as identified in the Audit Findings Report for the year ended December 31, 2017 is currently under consideration.

Enclosure

1 ppt Planned spending on Capital Projects 2017