

Corporate Finance Temporary Service Adjustment**Report Purpose**

To request Council support for a modified approach to T1 financial reporting in order to shift resources to Business Transformation implementation needs.

Recommendation

THAT, despite the provisions of FIN-001-010 Financial Reporting Policy, a summary report for the 2021 T1 financial reporting be approved.

Our Prioritized Strategic Goals

Continuously improving the way we work, as one organization, in an agile and sustainable manner

Report

The implementation phase of the Business Transformation (SCBT) project begins March 22, 2021, focusing on three core functions: finance, human resources, and procurement / contract management. This business transformation project will have impacts on people, processes and technology that enables these core functions. The SCBT project will ensure that each of these are efficient and effective, and that the information captured is made available to support evidence-based decision making. This in turn will benefit County residents by supporting service delivery, helping to establish the County as one of Canada's most livable communities.

Corporate Finance, as a core function, is required to dedicate over 30 per cent of staff time to the project, with additional staff resources required to participate and provide input as needed. To help manage the resourcing requirements, Corporate Finance is proposing a temporary adjustment to how Administration presents financial reporting. The FIN-001-010 Financial Reporting policy states that tri-annual management reports will be presented to Council and that financial statements, a forecast of operating results, and key financial indicators will be included.

As a temporary change, Corporate Finance is requesting to forego the formal management report and instead provide a summary report to Council focusing on the forecast of operating results and any other significant financial matters. The draft 2021 financial statements and other key financial indicators will be presented in the T2 reporting. This approach will continue to provide Council key information for governance purposes and decision-making, while allowing for staff to focus on business transformation, which will ultimately modernize and improve the way we do business.

Corporate Finance is dedicated to providing financial services to the organization and residents. As the department works to balance delivery of its core services, amid the changing climate of the pandemic and alongside business transformation, Council's support of these recommendations would be appreciated.

Council and Committee History

February 2, 2021	Council approved an amendment to the 2016 Capital Budget to change the source of funding on the Business Transformation project from Municipal Sustainability Initiative grant to Municipal Reserves up to the amount of \$6,246,300; and Council approved an amendment to the 2016 Capital Budget to
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	reclassify expenses from capital to operating for the Business Transformation project in the amount of \$6,246,300.
November 30, 2020	Council approved the 2021 Consolidated Operating Budget and the 2021 Consolidated Capital Budget.
October 29, 2020	Council approved the budget for the Strathcona County Business Transformation Project be increased in the amount of \$3,934,000 to be funded as follows: \$1,750,000 from the 2021 contingency reserve budget allocation and \$2,184,000 from project reserves.
December 5, 2019	Council approved the 2020 Operating and Capital Budgets.
June 18, 2019	The Priorities Committee was provided with an update on the Business Transformation Project.
May 23, 2017	Council approved the Integrated Core Systems project in the amount of \$4,521,000 to be funded from reserves (1.3773 and 1.3769); and Council approved the Organizational Transformation project in the amount of \$2,393,000 to be funded from reserves (1.3773 and 1.3769).
December 8, 2015	Council approved the 2016 Consolidated Operating Budget for Municipal, Utility, Library and Pioneer Housing Foundation Operations.

Other Impacts**Policy:** FIN-001-010 Financial Reporting Policy**Legislative/Legal:** n/a**Interdepartmental:** Communications and Corporate Planning**Master Plan/Framework:** n/a