

## **Q4 2024 Consolidated Capital Budget Amendments**

### **Report Purpose**

To amend the 2024 capital budget to reflect the changes required as of Q4 2024.

### **Recommendation**

THAT an amendment to the 2024 capital budget in the amount of \$3,710,000 as set out in enclosure 1 of the October 22, 2024 Financial and Strategic Services report, be approved.

### **Our Strategic Goals**

Goal 3 - Responsible Development

Goal 4 - Municipal Excellence

Governance Requirement

Goal 3 Priority - Investment in our infrastructure that supports development and complete communities

Goal 4 Priority - Optimal use of resources that meets the community's needs

### **Report**

Budget 2024 was the first time Strathcona County passed a multi-year capital budget. This strategic change was made for several reasons, including:

- Increased Council knowledge and flexibility,
- Attainment of operational and economic efficiencies,
- Comprehensive project planning and management to optimize use of resources.

To maximize these benefits, Administration has developed a new process in which capital budget amendments will be consolidated and presented to Council for approval approximately once a quarter. This report, the second of its type to be brought forward, demonstrates one of the commitments made by Administration to bottom-line manage the capital programs wherever possible, striving to replan and adjust within the approved capital envelope and to avoid the need to use additional County funds.

The following bundles outline the specific projects and their funding requests:

**Bundle #1 – Third Floor RCMP Building:** The current usable space is oversubscribed, and shell space requires finishing to accommodate the new Fraud Unit and consolidate business units into a single workspace. Total request is \$1,300,000, funded from reserves, with replenishment anticipated from 2024 operational savings.

**Bundle #2 – Festival Place Mechanical Upgrades:** The HVAC system requires immediate replacement (\$2,800,000) and the audio-visual project (\$910,000) from 2027 is being accelerated to minimize operational impact in the future. Total request is for \$3,710,000 and would be reserve funded.

**Bundle #3 – Human Resources (HR) Space Renovation Project:** The leased space at Millenium Professional building expires December 31, 2025, and a project is required to fit up space in the Community Centre to accommodate the HR team. Projected estimated budget is \$1,800,000 would be reserve funded in the short-term, with a reserve replenishment of ~\$600,000/year starting in 2026, which are the savings from the elimination of lease payments.

**Council and Committee History**

July 23, 2024	Council approved: THAT an amendment to the 2024 capital budget in the amount of \$4,549,714, as set out in enclosure 1 of the July 23, 2024 Financial and Strategic Services report, be approved.
April 9, 2024	Council approved the 2023 Operating and Capital Carryforwards and Surplus Allocation
December 4, 2023	Council approved the 2024-2026 Multi-year Capital Budget

**Other Impacts**

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

**Legislative/Legal:** n/a

**Financial/Budget:** Small impact to the County's overall financial position. Could potentially impact the ability to fund other priorities in the future.

**Interdepartmental:** RCMP and Enforcement Services, Facility and Fleet Management

**Master Plan/Framework:** n/a

**Enclosure**

1	Q4 2024 Capital Budget Amendments Detail
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