

FINANCE COMMITTEE REPORT

M&C No.	-
Report Date	November 19, 2018
Meeting Date	December 06, 2018
Service Area	Finance and Administrative Services

Chairman Councillor Merrithew and Members of the Finance Committee

SUBJECT: Transit Building Fund Reserve

OPEN OR CLOSED SESSION

This matter is to be discussed in open session of the Finance Committee.

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	Acting City Manager
<i>Ian MacKinnon</i>	<i>Ian MacKinnon</i> <i>Kevin Fudge</i>	<i>Neil Jacobsen</i>

RECOMMENDATION

It's recommended the Finance Committee submit the following report to Common Council to authorize the transfer of \$100,000 into the Transit Building Reserve Fund as a result of the estimated 2018 year end operating surplus.

EXECUTIVE SUMMARY

The purpose of this report is to provide the Finance Committee with the City Transit 2018 year-end projections as of October 31st, 2018 and subsequent recommendation.

PREVIOUS RESOLUTION

N/A

STRATEGIC ALIGNMENT

This report aligns with the City's asset management plan and Council's priority of being fiscally responsible.

REPORT

It should be noted the following projections are based on best estimates as at October 31, 2018. While there are no significant events that have come to the attention of the Transit management team to require modification of these estimates, actual year-end results may differ depending on ridership revenue as well as other unexpected events.

Based on the October year to date results and projections, the Transit operating position is presently projected to be in a surplus position at year-end of approximately \$130,000. The overall cost of operations is trending toward a surplus of approximately \$130,000 which includes: Transportation, Maintenance, Building, Administration and Revenue.

Council approved in 2017 the establishment of a Transit Building Reserve Fund. The Transit building is close to 11 years of age and there are no major projects pending or identified, however, funding a building reserve is extremely important in order to have money set aside cover major capital replacements in the future.

It's recommended the Finance Committee submit the following report to Common Council with a recommendation to authorize the transfer of \$100,000 of operating surplus to the Transit Building Reserve Fund.

SERVICE AND FINANCIAL OUTCOMES

N/A

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

Input has been received from all relevant Service Areas