

Purpose:

This policy establishes the executive limitations directed by Council for the City Manager relative to the Capital Budget Contingency.

Policy Statements:**1. Unbudgeted (New) Capital Projects**

- a. The City Manager is authorized to approve new projects that were not previously identified to a maximum cost of \$50,000 per project, subject to the availability of funds. Any new projects over this limit must be approved by Council.
- b. The City Manager is authorized to approve new projects, where the total cost of all of the approved new projects, does not exceed the maximum \$200,000 limit. Any new projects after this limit is reached must be approved by Council.

2. Capital Budget Contingency Funding

The capital budget contingency will be funded by existing reserves subject to an available reserve balance or grant funding subject to the requirements and availability of the grant program.

3. Capital Report to Council

Capital projects based on this policy will be reported to Council on an annual basis concurrent with the submission of the annual audited report to Council or as soon after as possible.

Policy Monitoring and Evaluation:

The Capital Budget Contingency Policy will be evaluated five years from date of approval, a review may also occur anytime prior to the five year review date.

Scope/Application:

This policy applies to all departments, boards and committees, agencies and other organizations that fall within the reporting entity of The City of Red Deer.

Inquiries/Contact Person:

Direct inquiries to the Divisional Controller or Financial Analyst in the Budgets & Investments area within the Financial Services Department.

Authority/Responsibility to Implement:

The authority to establish and monitor compliance to this policy is the responsibility of the Director of Corporate Services or delegate.

References/Links:

1. MGA Section(s) 245, 246, 248(2)
2. 5324-CA Capitalization of Tangible Capital Assets Policy
3. 5320 – C Capital Budget Policy
4. 5320.03 – C Capital Budget Funding Policy

Document History:

Council Resolution Date:
November 29, 2010

Council Resolution Revision Date: