

To: Chief Administrative Officer **Date:** April 7, 2025
From: K. Klassen, Budget Analyst
Subject: **Regional Utilities Financial Plan Carry Forward Amendment 2024 to 2025**

Recommendation(s)

1. That the regional water operating carry forward requests, as shown in the Operating Budget Carry Forward section of the Budget Analyst's report entitled "Regional Utilities Financial Plan Carry Forward Amendment 2024 to 2025" dated April 7, 2025, totaling \$140,000 (Mission's share is \$30,100) be approved;
2. That the regional sewer operating carry forward requests, as shown in the Operating Budget Carry Forward section of the Budget Analyst's report entitled "Regional Utilities Financial Plan Carry Forward Amendment 2024 to 2025" dated April 7, 2025, totaling \$183,000 (Mission's share is \$33,782) be approved;
3. That the regional water capital carry forward requests and associated funding sources, detailed in Attachment B to the Budget Analyst's report entitled "Regional Utilities Financial Plan Carry Forward Amendment 2024 to 2025" dated April 7, 2025, totaling \$31,136,000 (Mission's share is \$6,558,170), be approved;
4. That the regional sewer capital carry forward requests and associated funding sources, detailed in Attachment B to the Budget Analyst's report entitled "Regional Utilities Financial Plan Carry Forward Amendment 2024 to 2025" dated April 7, 2025, totaling \$27,650,000 (Mission's share is \$5,120,638), be approved; and
5. That the City's 2025 to 2029 Financial Plan be amended accordingly.

Purpose

The purpose of this report is to provide Council with the 2024 regional water and sewer carry forward amounts as presented in Attachments A and B of this report, and recommend they be incorporated into the City of Mission's 2025 to 2029 Financial Plan.

Background

As presented and approved at the March 13, 2025 Joint Shared Services Committee (JSSC) meeting, report #JSSC 006-2025, (Attachment A), details the 2024 regional capital projects requested to be carried forward and added to the 2025 Abbotsford/Mission Water Capital Plan and the 2025 JAMES Capital Plan.

The JSSC report recommends the amendments for approval as per the Ownership and Government Agreement for the regional utility systems. Related financial plans and amendments are to be approved by both the City of Mission and City of Abbotsford Councils.

2024 operating and capital projects that are still in progress at the end of 2024 can have their remaining budgets added to the 2025 budget via a carry forward amendment. The final 2024 expenditure figures are now finalized.

Discussion and Analysis

During the 2025 budget process, the JSSC was informed that any current capital projects that were still in progress at the end of 2024 would be requested to be carried forward via a budget amendment in early 2025. Additionally, four operating projects were identified as requiring budget carry forwards, because of work that was expected to start in 2024 but did not begin. Now that full information regarding 2024 expenditures is available, it is possible to update the 2025 budget to reflect projects carried forward, and to amend the financial plan accordingly.

Operating Budget Carry Forwards

Carry forwards are proposed in both the regional water and regional sewer operating budgets for projects that are either in progress or will be carried out in 2025. These operating carry forward requests are related to projects that were already included in the approved 2024 financial plan; therefore, no increases to the overall budgets are required.

In the regional water operating budget, two projects totaling \$140,000 are proposed to be carried forward, of which Mission's share, at 21.50%, is \$30,100, as follows:

Regional Water Operating Projects	Amount
Cannell Lake Watershed Management Plan	\$100,000
Loss Management Strategy	40,000
	<u>\$140,000</u> (Mission's share = \$30,100)

In the regional sewer operating budget, two projects totaling \$183,000 are proposed to be carried forward, of which Mission's share, at 18.46%, is \$33,782, as follows:

Regional Sewer Operating Projects	Amount
Engineering Studies	\$78,000
Effluent, Outfall Monitoring	105,000
	<u>\$183,000</u> (Mission's share = \$33,782)

Capital Budget Carry Forwards

Attachment B to this report details Mission's share of the requested capital carry forwards from 2024 to 2025, and the associated funding sources. The regional water capital carry forward requests total \$31,136,000, of which Mission's share is \$6,558,170. The regional sewer capital carry forward requests total \$27,650,000, of which Mission's share is \$5,120,638.

Like the operating carry forward requests, the capital carry forward requests include projects that are either already in progress or are expected to be carried out in future years. The capital carry forward requests are related to projects that were already included in the original approved budget; therefore, no increases to the total budgets are required.

Financial Implications

There are no additional financial implications associated with the budget carry forward requests in this report, as all the carry forward requests were included in the 2024 approved budgets. The funding requirements for the planned capital projects added to the 2025 budget have previously been approved by the JSSC and the City of Mission. These carry forward requests simply reflect timing differences between when the projects were initially budgeted, and when the expenses will actually occur.

Communication

Mission staff will advise Abbotsford staff of Council's resolution regarding this report.

Summary and Conclusion

Report #JSSC 006-2025, was presented and approved at the March 13, 2025 Joint Shared Services Committee (JSSC) meeting, and details the 2024 regional water and regional sewer projects that are being requested for budget carry forward. No overall budgets have been increased, rather the unspent project budgets are simply transferred or "carried forward" to future budget years.

As per the Ownership and Government Agreement, for the regional utility systems, related financial plan and amendments are to be approved by both the City of Mission and City of Abbotsford Councils.

The proposed carry forward amendments reflect timing of expenditure differences only. No capital funding increases are required for the planned capital work. The funding requirements for the planned capital projects have previously been approved.

Report Prepared by: K. Klassen, Budget Analyst
Reviewed by: Scott Ross, Manager of Financial Planning & Analysis
Reviewed by: Doug Stewart, Director of Finance
Approved for Inclusion: Mike Younie, Chief Administrative Officer

Attachment(s)

Attachment A: JSSC Report #006-2025 – 2025 Financial Plan Carry Forward Amendment
Attachment B: Mission's Share of 2024 Regional Water and Sewer Capital Carry Forwards Carried Forward to 2025 Budget