

Bylaw 19858

City Administration Bylaw Amendments

Purpose

To amend the City Administration Bylaw to increase the City Manager's authority for certain financial matters and make other general updates.

Readings

Bylaw 19858 is ready for three readings.

A majority vote of City Council on all three readings is required for passage.

If Council wishes to give three readings during a single meeting, then prior to moving third reading, Council must unanimously agree "That Bylaw 19858 be considered for third reading."

Position of Administration

Administration supports this Bylaw.

Report Summary

Administration is recommending updates to the City Administration Bylaw to ensure it continues to appropriately assign authorities between Council and the City Manager.

Report

The current City Administration Bylaw was approved by Council in 2016, and was scheduled for a five-year review to ensure it continues to appropriately distribute authority between Council and the City Manager, which allows for efficient operations while ensuring Council retains its strategic oversight role. Approval of the recommended changes will result in more effective management of a modern municipal corporation.

Administration has identified four financial authorities where updates are recommended, and is proposing two general updates for clarity.

Financial Authority Recommendations

Recommendation 1 - Increase the general agreement authority to \$1,000,000

Currently, the City Manager's general authority for agreement and uninsured legal settlements is \$500,000. This limit has been in place since September 2009, when the authority was increased from \$250,000 to \$500,000. Given inflation and the overall increase in City budgets over the past 12 years, Administration is recommending that the general authority be increased to \$1,000,000.

If approved, this increase would apply to the City Manager's general agreement authority, uninsured legal settlements, licence agreements, and subscription agreements.

Recommendation 2 - Budget Adjustments

Currently, the City Manager can approve budget adjustments up to \$2,000,000 per adjustment between existing operating programs or capital projects within the Council approved operating and capital budgets, respectively. This authority currently does not permit the City Manager to use money from reserves to fund new operating programs or capital projects, transfer funds between the operating and capital budgets, or increase the overall operating and capital budgets.

Administration is recommending increasing the general budget adjustment authority to \$5,000,000 per adjustment where funding is moved between existing operating programs or capital projects. In addition, Administration is recommending a new authority allowing the City Manager to perform adjustments to fund new operating programs and capital projects up to \$1,000,000 where the source of funds is reallocation of existing approved capital or operating budgets, or a transfer from a reserve. Both of these changes would allow for the transfer of funds within and between the existing operating and capital budgets, thereby potentially changing the overall operating and capital budgets. If approved, Administration will bring forward any necessary amendments to Council's reserve policies to fully implement this change. Reserves will only be used as a funding source for operating programs and capital projects that are eligible for funding from the reserve based on its purpose.

The above budget adjustment recommendations will not have an impact on the net tax-levy requirement.

Recommendation 3 - Signing Authority

The City Manager currently has the authority to sign agreements on behalf of the City, however cheques and other negotiable instruments also require the signature of the Mayor. Since these instruments are only used to carry out financial commitments contained in the approved budgets, Administration recommends that the City Manager be given sole signing authority to improve efficiency in issuing these instruments.

Recommendation 4 - Reporting

The City Manager must report at least semi-annually on all non-competitive procurement agreements over \$75,000 and all insured settlements over \$500,000. To reduce the administrative effort required to create this report while still maintaining Council oversight over significant non-competitive procurements and insured claim settlements, Administration recommends increasing the reporting threshold for non-competitive procurements to \$250,000, the threshold for insured settlements to \$1,000,000, and reducing the frequency to annually. These reports would continue to be provided to Executive Committee.

The Edmonton Police Commission has also requested that the current requirement for the Chief of Police to provide a report on all non-competitive procurement agreements over \$75,000 be amended to increase the reporting threshold to \$250,000 and reducing the frequency to annually to ensure continued alignment with City practices.

General Recommendations

Recommendation 1 - Clarify grant funding authorities

The current City Administration Bylaw contains an authority allowing the City Manager to approve grant agreements of any value where the grant is part of an approved grant program or activity. Administration is proposing revised language to clarify that the City Manager can approve any grant agreement that would otherwise fall within the City Manager's general agreement authority, as well as any agreement that exceeds that threshold if Council has approved a grant program or project as part of the budget.

Recommendation 2 - Affordable housing agreements

The affordable housing agreement authorities granted to the City through the *City of Edmonton Charter, 2018 Regulation* did not exist when the current City Administration Bylaw was passed and do not fully fit within any of its current authorities, resulting in these agreements requiring Committee approval. Administration recommends adding a specific authority for these unique agreements with the maximum value for any City contribution being equal to the City Manager's general agreement authority.

Corporate Outcomes and Performance Management

Corporate Outcome(s): The City of Edmonton's corporate processes are robust and helpful for integrated service delivery.			
Outcome(s)	Measure(s)	Result(s)	Target(s)
The City of Edmonton's corporate processes are robust and helpful for integrated service delivery.	Reduction of approvals in previous years if current recommended limits were applied	City Manager: 53 fewer (2019 & 2020) Executive Committee: 16 fewer (2019 & 2020)	Reduce with expanded authority for other leadership levels
	Number of budget adjustments within Administration's new recommended authority that would not require Council time	2020 SOBAs: 3 2020 SCBAs: 20	

Public Engagement

Public engagement was not conducted as the City Administration Bylaw relates to the authorities delegated from Council to the City Manager and does not directly impact the public.

Attachment

1. Bylaw 19858 - City Administration Bylaw Amendments

Others Reviewing this Report

- D. Croft, Acting Deputy City Manager, Financial and Corporate Services
- H. Rai, Acting Chief Financial Officer
- G. Cebryk, Deputy City Manager, City Operations
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services
- K. Armstrong, Deputy City Manager, Employee Services
- R. Smyth, Deputy City Manager, Citizen Services
- S. McCabe, Deputy City Manager, Urban Planning and Economy
- K. Fallis-Howell, Acting City Solicitor