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## REPORT FIN-2013-008

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TO: Mayor and Members of Council

FROM: Mary Hasan, Director of Finance/Treasurer

SUBJECT: 2013 Estimated Capital Surplus

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### RECOMMENDATIONS

That Report FIN-2013-008 regarding the 2013 Estimated Capital Surplus be received.

### PURPOSE

The purpose of this Report is to provide Council with information regarding the 2013 Estimated Capital Surplus. The balances in the Working Reserves and Reserve Funds are discussed in Report FIN-2013-009. The Proposed 2014 Capital Program is discussed in Report FIN-2013-010.

### DISCUSSION

#### Actual to Budget Variance for 2013 Approved Capital Projects

Below are the variances for the capital projects that were approved in the 2013 Capital Budget and are aimed to be completed in 2013. The actual figures are obtained from the tenders or certificates of payment for projects that have not yet been fully invoiced as of October 31, 2013. For projects that have been fully invoiced as of October 31, 2013, the actual costs were determined by adding up the costs per the invoices net of the HST rebate.

Project	2013 Budget	2013 Actual	Variance Fav./(Unfav.)	Funding
<b>Recreation Department</b>				
Storage, Washroom Addition	\$290,000 + \$10,000 County Accessibility Grant	\$307,347.76	\$(7,347.76)	\$175,000 was funded from the Parkland Reserve Fund, \$115,000 was funded from the 2012 Surplus, and \$10,000 was funded from the County Accessibility Grant.

Project	2013 Budget	2013 Actual	Variance Fav./(Unfav.)	Funding
<b>Building Department</b>				
Vehicle – for CBO Official	\$30,000	\$27,325.98	\$2,674.02	\$30,000 was funded from the Building Surplus Reserve Fund.  Surplus to be allocated to Building Surplus Reserve Fund – see Report FIN-2013-009 for further details.
<b>Fire Department</b>				
SCBA Compressor & Cascade Cylinders	\$27,000	\$29,490.05 (based on results of tender)	\$(2,490.05)	Entire cost was funded from the taxation levy.
IT Infrastructure Upgrade	\$15,000	\$9,568.74	\$5,431.26	Entire cost was funded from the Corporate Information Technology Hardware Working Reserve. Surplus to be allocated this Working Reserve - see Report FIN-2013-009 for further details.
<b>Administration Department</b>				
New Server	\$17,000	\$16,089.37	\$910.63	Entire cost was funded from the Corporate Information Technology Hardware Working Reserve. Surplus to be allocated this Working Reserve - see Report FIN-2013-009 for further details.

Project	2013 Budget	2013 Actual	Variance Fav./(Unfav.)	Funding
IT Architecture	\$20,000	\$17,811.05	\$2,188.95	Entire cost was funded from the Corporate Information Technology Software Working Reserve. Surplus to be allocated this Working Reserve - see Report FIN-2013-009 for further details.
<b>Roads Department</b>				
Cook's Bridge-Cooks Mill Rd-0001	\$232,000	302,646.53 (based on tender)	Difference to be transferred to Concession 1 Project - \$138,353.47	\$441,185 was transferred out of the Gas Tax Fund to fund this project. Per Report PW-2013-003 surplus to fund Concession 1 project.
Culvert of Mill Race – Cooks Mill Rd-2002	\$145,000			
Cooks Mill Rd – pulverize and pave	\$64,000			
Gore Rd- #35 to Concession 20	\$268,000	\$149,292.06	\$118,707.94	Funded from tax levy.
Concession 1-0006	\$13,000	\$172,285.04	\$(32,285.04)+\$138,353.47 = \$106,068.43	This was originally funded from the tax levy, however, when the Cooks Bridge project was tendered under budget, the remaining funds of \$138,353.47 were to be funded from Gas Tax Fund. See report PW-2013-003 for further information.
Concession 1-pulverize and pave	\$127,000			
Victoria Rd-Maltby to 34	\$175,000	\$111,137.88	\$63,862.12	Funded from tax levy.
Concession 7, 2a, 2 (shave and pave)	\$60,000	\$49,433.41	\$10,566.59	Funded from tax levy.
Leslie Rd engineering	\$10,000	\$7,002.48	\$2,997.52	Funded from tax levy.

<b>Project</b>	<b>2013 Budget</b>	<b>2013 Actual</b>	<b>Variance Fav./(Unfav.)</b>	<b>Funding</b>
<b>Parkland</b>				
Drainage	\$60,000	\$111,318.51	\$(51,318.51)	Funded from tax levy.
<b>Total</b>	<b>\$1,563,000</b>	<b>\$1,310,748.86</b>	<b>\$252,251.14</b>	

Below are the capital projects that were approved in the 2013 Capital Budget and are aimed to be completed in 2014. These projects are indicated in the Capital Carry forward column of the proposed 2014 Capital Budget and Forecast.

<b>Project</b>	<b>2013 Budget</b>	<b>2013 Estimated Expenditures</b>	<b>Capital Cfwd-2013</b>
<b>Recreation Department</b>			
Cabinets – Alf Hales Room	\$15,000	N/A	\$15,000
<b>Building Department</b>			
Tracking Software	\$8,600	N/A	\$8,600
<b>Fire Department</b>			
Washroom	\$45,000	N/A	\$45,000
<b>Administration Department</b>			
New Township website, with level AA requirement	\$26,000	N/A	\$26,000
<b>Roads Department</b>			
Traffic Calming-Streetscaping Morriston	\$15,000	\$5,393.28	\$9,606.72
<b>Parkland Department</b>			
Cenotaph Restoration	\$22,000 (Recreation expenses) and 11,000 (grant per operating budget)	\$2,231.04	\$8,768.96
<b>Total</b>	<b>\$120,600</b>	<b>\$7,624.32</b>	<b>\$112,975.68</b>

Below are the capital projects that were approved in reports ADM-2013-004 – Cenotaph Restoration Project and PW-2013-003 – 2013 Capital Budget – Funding for Additional Projects and are aimed to be completed in 2014. These projects were funded from the capital projects that had been awarded under budget in the Roads Department including Concession 1, Victoria Road and Gore Road. These projects are indicated in the Capital Carry forward column of the proposed 2014 Capital Budget and Forecast as they will be completed in 2014.

<b>Project</b>	<b>Per reports PW-2013-003 and ADM-2013-004</b>	<b>2013 Estimated Expenditures</b>	<b>Capital Cfwd-2013</b>
<b>Roads Department</b>			
256 Brock Road-engineering	\$60,000	\$20,000	\$40,000
French's Bridge-engineering	\$50,000	\$30,000	\$20,000
Cenotaph Restoration Project	\$14,000	\$0	\$14,000
<b>Total</b>	<b>\$124,000</b>	<b>\$50,000</b>	<b>\$74,000</b>

Below are the projects as discussed in report PW-2013-003 – 2013 Capital Budget – Funding for Additional Projects. These projects were funded from the capital projects that had been awarded under budget in the Roads Department including Concession 1, Victoria Road and Gore Road.

<b>Project</b>	<b>Per Report PW-2013-003</b>	<b>2013 Actual</b>	<b>Variance Fav./(Unfav.)</b>
<b>Roads Department</b>			
Townline Road	\$20,000	\$20,339.03	\$(339.03)
Installation of a salt saver for 2012 International Tandem Plow Truck	\$15,000	Estimate as invoice has not yet been received– \$15,000	\$0.00
<b>Total</b>	<b>\$35,000</b>	<b>\$35,339.03</b>	<b>\$(339.03)</b>

### **Financial Implications**

From the projects approved in the 2013 Capital Budget, \$112,975.68 are capital carry-forward projects which will not be included in the calculation of the 2013 Capital surplus as these projects will be completed and closed in 2014.

There were additional funds that were approved per reports ADM-2013-004 – Cenotaph Restoration Project and PW-2013-003 – 2013 Capital Budget – Funding for Additional Projects. These projects amounted to \$159,000. Per the reports, these projects were to be funded from the Roads Department capital projects that had been awarded under budget (Concession 1, Victoria Road and Gore Road). Of this amount, an estimate of \$74,000 are capital carry forward projects which will not be included in the calculation of the 2013 Capital surplus as these projects will be completed and closed in 2014.

For the projects in which funds were taken out of a reserve, the surpluses must go back into the reserves which funded those specific projects. This has been completed in Report FIN-2013-009-2013 Balances in Working Reserves and Reserve Funds.

The projected Capital surplus is calculated below:

<b>Project</b>	<b>Surplus/(Deficit)</b>	<b>Comments</b>
Puslinch Community Centre Storage, Washroom Addition	\$(7,347.76)	
SCBA Compressor & Cascade Cylinders	\$(2,490.05)	
Cooks Bridge & Cooks Mill Road	\$0	\$138,353.47 calculated above to be transferred to Concession 1 project as all of these funds must be expended in 2013 to avoid expiry of Gas Tax funding.
Gore Rd- #35 to Concession 20	\$118,707.94	
Concession 1	\$106,068.43	\$(32,285.04) deficit calculated above has been adjusted for the \$138,353.47 that was not spent from the Cooks Bridge & Road project.
Victoria Road	\$63,862.12	
Concession 7, 2a, 2 (shave and pave)	\$10,566.59	
Leslie Rd engineering	\$2,997.52	
Drainage	\$(51,318.51)	
256 Brock Road-engineering	\$(60,000)	Projects approved in reports ADM-2013-004 – Cenotaph Restoration Project and PW-2013-003 – 2013 Capital Budget – Funding for Additional Projects. Projects were funded from the capital projects that had been awarded under budget in the Roads Department including Concession 1, Victoria Road and Gore Road. Therefore, these have been subtracted from the projected surplus/(deficit)
French's Bridge-engineering	\$(50,000)	
Cenotaph Restoration Project	\$(14,000)	
Townline Road	\$(20,339.03)	
Installation of a salt saver for 2012 International Tandem Plow Truck	Estimate as invoice has not yet been received – \$(15,000)	
Project Surplus/(Deficit)	\$81,707.25	

## **Applicable Legislation and Requirements**

Municipal Act, 2001

## **Attachments**

None