

The Corporation of the City of Kawartha Lakes

Council Report

Report Number CORP2017-027

Date: September 26, 2017
Time: 2:00 p.m.
Place: Council Chambers

Ward Community Identifier: All

Subject: 2017 Q2 Capital Close

Author Name and Title: Jessica Hood, Junior Accountant

Recommendation(s):

RESOLVED THAT Report CORP2017-027, **2017 Q2 Capital Close**, be received;

THAT the capital projects identified in Attachment A be approved to be closed due to completion;

THAT the balances in the table below be transferred to or from the corresponding reserves;

Reserve	Report Closing Balance
Capital Projects Reserve	\$377,275
Public Works Fleet Reserve	\$(21,651)
Water Infrastructure Reserve	\$3,577
Sewer Infrastructure Reserve	\$49,357

THAT an additional \$3,260.56 of City Development Charges be allocated to project 9831503, Dranoel Road Culvert to fund the project deficit and bring the project balance to zero upon project closure;

THAT project 9531502, Upgrade City Building Systems be reopened and \$118,000 from the Capital Projects Reserve be used to fund the project;

THAT the following projects be extended to December 31, 2017:

Department Head:_____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

928160101 - Server Hardware
928160501 - Cabling Syst Lindsay Firehall
928160601 - Client Hardware
928161601 - Replace Public Access Systems
950160401 - Picnic Table and Bench Replace
950160700 - Ice Plant/System Equip Replace
994162401 - Cement Pad at Bus Stops
994165501 - LIMO Specialized Transit Bus

THAT the following projects be extended to December 31, 2018:

9971460 – Fenelon Landfill-Admin Building
9971463 – Laxton Landfill Site

Background:

This report is provided to advise Council on each capital project's actual costs versus its approved budget and to close projects that are complete as at June 30, 2017 in accordance with the Capital Close and Administration Policy.

Rationale:

The expectation of a capital close report is to bring completed capital projects to a zero balance by recommending provisions for any shortfalls and disposition of surplus amounts. When projects are closed with a surplus, the surplus is typically transferred to the Capital Projects Reserve. There are some exceptions to this practice. If the project being closed was funded from a source other than the general tax levy then the surplus is returned to that source of funding.

Please see below a list of attachments

Attachment A - Lists all projects recommended to be closed identifying the amount that will be returned to the reserves listed. There are projects that are closing with a zero balance as the funding has been returned to the original funding source and does not require Council approval to do so.

Attachment B – Lists all projects that will be complete as of June 30, 2017 or are on target to be completed by their current completion date.

Attachment C – Lists the projects that are seeking Council Resolution to extend the current completion date.

Attachment D - Lists all of the current municipal drain projects. All of the municipal drain projects are currently showing as negative amounts because the landowner is billed for his/her share and the City applies for funding from the province, once the project is complete.

Other Alternatives Considered:

Council may choose an alternative direction with respect to where the over and under expenditures should be transferred. Staff's recommendations are in accordance with the Capital Close and Administration Policy C 187 FIN 018.

Financial/Operation Impacts:

The status of each project has been reviewed by Directors and appropriate management staff. The below detailed tables show the balances to the affected Reserves and Deferred Revenue, of the projects being closed.

Attachment A: Completed Projects

The table below is a listing of the reserves that require Council approval to transfer funds to and from.

Reserve	Report Closing Balance
Capital Projects Reserve	\$377,275
Public Works Fleet Reserve	\$(21,651)
Water Infrastructure Reserve	\$3,577
Sewer Infrastructure Reserve	\$49,357

Obligatory Funds

Below is a table listing the obligatory funds for which the return of funding does not require Council approval.

Obligatory Reserves & Development Charge Reserve	Report Closing Balance
City Development Charge Reserve	\$63,045
Transit Gas Tax Reserve	\$51

Debenture Proceeds

The debenture debt will be decreased by \$18,839 due to the closure of 9981302 – Bitch Point Drinking Water System.

In summary, a total of \$487,233 recommended to be closed and returned to the original budget funding sources. There are currently 221 projects and staff recommend closing 38 projects, leaving a remaining 183 projects open.

Relationship of Recommendation(s) To The 2016-2019 Strategic Plan:

This recommendation assists in achieving the Strategic Enabler goal. This Capital Close enables Council and the public to see that the projects that have been approved are being closed within budget and in a timely manner. This illustrates responsible fiscal resource management.

Consultations:

Directors, Managers and Staff

Attachments:



Attachment A.xlsx



Attachment B.xlsx



Attachment C.xlsx



Attachment D.xlsx

Attachment A: Completed projects.

Attachment B: Projects on target to be closed by current completion date.

Attachment C: Projects requesting an extension.

Attachment D: Municipal Drains

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Department Head: Ron Taylor