

TO: Mayor Avis & Members of Council

FROM: Laurie Lindberg, Treasurer

DATE: March 22, 2017

SUBJECT: 2016 Capital Financing

BACKGROUND

The 2016 Capital Budget in total was \$12,164,941 with intended financing of \$6,281,462 from Corporate Reserve Funds (\$1,831,060), Cemetery Reserve Fund (8,944), Handi-Van MTO Gas Tax Reserve Fund (\$40,000), Library/Technology Reserve Fund (\$30,000), (Federal Gas Tax Reserve Funds (\$876,304) and Water & Sewer Reserve Funds (\$3,495,154) with balance funding from Federal & Provincial Grants and contributions from others.

The attached 2016 Capital & Reserve Fund Balancing report lists the budgeted reserve fund allocations for the individual projects/purchases, the Capital expense to December 31/16, other sources of revenue received, amount of reserve funds allocated and the remaining funds required for financing the Capital Fund. The second-last column is the difference between the Reserve Fund allocation as per approved Capital Fund budget and the total Reserve Funds to support the Capital Fund. This indicates that overall the Reserves Funds required to fund capital is \$746,697.37 less than the 2016 budgeted Reserve Fund allocation resulting from projects/purchases that were not completed or the projects/purchases came in under the budget amount.

Reserve Funds allocated to finance 2016 Capital less Reserve Funds Actual to December 31, 2016 is \$5,274,954.08 and the additional Reserve Funds required to finance the balance of the projects/purchases for 2016 is \$259,810.55 and General Revenue Funding for Town employee salaries, benefits, stores and own equipment rental of \$2,168.38 for capital project as follows:

	<u>Amount</u>	<u>Reserve Fund</u>	<u>Revenue Fund</u>
Financial Software (including Dual Core Server)	\$ 17,044.75	Corporate Projects	
Civic Centre Painting	\$ 5,306.65	Corporate Projects	
Public Works Small Equipment	\$ 2,650.06	Corporate Veh/Equip	
Public Works Office Renovations	\$ 3,395.88	Corporate Buildings	
Nelson Street Storm Sewer	\$ 16,464.19	Waterworks/Sewer	
Kings Hwy 11/71 Reconstruction- Roads	\$ 12,315.22	Federal Gas Tax	
Colonization Rd E. Scott to WTP - Roads	\$ 78,468.11	Federal Gas Tax	
Sidewalks Phair Ave	\$ 68,062.46	Federal Gas Tax	
Sidewalks Nelson St – Butler to Shevlin	\$ 17,936.87	Federal Gas Tax	
Sidewalks King`s Hwy Reconstruction	\$ 5,148.74	Federal Gas Tax	
Waste Transfer Station Upgrades	\$ 15,555.33	Corporate Projects	\$ 2,168.38

Parks & Cemeteries Small Equipment	\$ 449.77	Corporate Veh/Equip
Cemetery Riding Lawn Mowers	\$ 214.42	Cemetery
Children`s Complex Contracted Works	\$ 13,064.77	Children`s Complex Projects
Memorial Sports Centre Floor Scrubber	\$ 3,733.33	Corporate Projects
	<u>\$259,810.55</u>	<u>\$ 2,168.38</u>

RECOMMENDATION

Administration recommends that Council approve the additional Reserve Fund allocation to fund the remaining Capital expenditures in the amount of \$259,810.55 from Reserve Funds as indicated in this report and approve \$2,168.38 contributions from the General Revenue Fund (Operating) to complete the finance of the 2016 Capital purchases/projects as outlined in the attached report.

Council Approval of This Report Will approve the Administration recommendation to allocate Contributions to Capital from Reserve Funds in the amount of \$259,810.55 and Contributions to Capital in the amount of \$2,168.38 from the General Operating Fund to finance 2016 Capital Fund expenditures outlined in this report and summarized as follows:

General Fund Contribution	\$ 2,168.38
And	
Corporate Building Reserve Fund	\$ 3,395.88
Corporate Vehicle/Equip Reserve Fund	\$ 3,099.83
Corporate Projects Reserve Fund	\$ 41,640.06
Cemetery Reserve Fund	\$ 214.42
Children`s Complex Reserve Fund	\$ 13,064.77
Waterworks & Sewer Reserve Fund	\$ 16,464.19
Federal Gas Tax Reserve Fund	<u>\$181,931.40</u>
	<u>\$259,810.55</u>