



AD HOC BUDGET ADVISORY COMMITTEE AGENDA
Monday, January 14, 2019
Wilmot Community Room
5:30 P.M.

DISCLOSURE OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT

1. **Ad Hoc Budget Advisory Committee**
List of Action Items from December 17, 2018 (for information only)
2. **REPORT NO. FIN 2019-01**
2018 Operating Summary

Recommendation

That Report FIN 2019-01, prepared by the Manager of Accounting, regarding the 2018 Operating Budget vs. Actual, for the year ended December 31, 2018, be endorsed.

3. **REPORT NO. FIN 2019-02**
Final Review of 2018 Capital Program

Recommendation

That report FIN 2019-02, prepared by the Manager of Accounting, regarding the 2018 Capital Program, for the period ending December 31, 2018, be endorsed.

4. **REPORT NO. FIN 2019-03**
Reserve and Reserve Funds (Un-audited)
For the year ended December 31, 2018

Recommendation

That Report FIN 2019-03, prepared by the Manager of Accounting and Director of Finance, regarding Reserve and Reserve Funds, for the year ended December 31, 2018, be received for information purposes.

5. REPORT NO. FIN 2019-04
O. Reg 284/09 – Excluded Expense Estimate

Recommendation

That pursuant to Ontario Regulation 284/09, this report serve as a method for communicating the exclusion of estimated amortization expenses from the 2019 Municipal Budget.

MOTION TO RECONVENE FOLLOWING REGULAR COUNCIL (if necessary)

ADJOURNMENT



**AD HOC BUDGET ADVISORY COMMITTEE
ACTION ITEMS
Monday, December 17, 2018
Wilmot Community Room
5:30 P.M.**

**DISCLOSURE OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT
OF INTEREST ACT**

**1. REPORT NO. FIN 2018-36
2019 Taxation Policy**

THAT the Ad Hoc Budget Advisory Committee approve and recommend staff prepare the 2019 Budget based in principle on a targeted inflationary levy increase of 2.0%, which will be monitored through the budget process.

ACTION:

- Mayor Armstrong to follow-up with information on the Police budget increase

**2. REPORT NO. FIN 2018-37
2019 Fees and Charges**

THAT the Ad Hoc Budget Advisory Committee approve and recommend to Council the Fees and Charges report dated December 17, 2018;

And further, that the Fees and Charges By-Law be amended accordingly.

ACTION:

- Recreation staff to provide a copy of ice rental comparisons for reference
- Recreation staff to provide more details on ice user groups (resident / non-resident usage)
- Recreation staff to provide classifications that determine community vs. non-profit groups
- Finance staff to add language to the website indicating that groups are to contact staff for more information regarding user fees

**3. REPORT NO. FIN 2018-38
2019 Municipal Grant Program**

THAT the Ad Hoc Budget Advisory Committee approve the Municipal Grant Program as per Schedule A (as determined by committee);

AND FURTHER, that \$46,504 in Municipal Grants be incorporated within the 2019 draft operating budget.

**4. REPORT NO. FIN 2018-39
2019 Discover Your Wilmot Program**

THAT the Ad Hoc Budget Advisory Committee approve the Discover Your Wilmot Matching Grant Program allocations as per Appendix A;

AND FURTHER, that these funding allocations be incorporated within the draft 2019 operating budget.

**5. REPORT NO. PW 2018-20
Pre-Budget Approval – Sidewalk Tractor RFP**

THAT RFP 2018-32 be awarded to Canadian Port & Heavy Equipment Sales Inc. of Mississauga, ON to supply and deliver the articulated sidewalk tractor as per their proposal dated December 6, 2018 for the fee of \$136,463, plus HST;

AND FURTHER THAT this funding be incorporated within the 2019 Capital Program presented to committee on January 31, 2019.

ACTION:

- All future RFP reports to Council are to include percentage scoring matrix for information purposes



Township of Wilmot **COMMITTEE REPORT**

| | |
|---------------------|---|
| REPORT NO. | FIN 2019-01 |
| TO: | Ad Hoc Budget Advisory Committee |
| PREPARED BY: | Ashton Romany, CPA Manager of Accounting |
| DATE: | January 14, 2019 |
| SUBJECT: | 2018 Operating Summary |

Recommendation:

That Report FIN 2019-01, prepared by the Manager of Accounting, regarding the 2018 Operating Budget vs. Actual, for the year ended December 31, 2018, be endorsed.

Background:

As part of the annual budget process, the 2018 Operating Summary is provided. The attached report includes the un-audited general levy summary, which calculates the year-end transfer to reserves factoring in the annual tax levy, operating expenditures, grants, and any investment income. Following this summary statement is a department-level statement of operations with commentary. The final statement included is a review of user-pay operations and their respective transfers to reserves.

Discussion:

Net Transfer to Infrastructure Reserve Funds

The net transfer to infrastructure reserve funds for 2018, excluding any returns from the capital program, is projected to be \$945,829 or \$315,276 to each fund (Equipment, Transportation, and Facilities). This is above the budgeted transfer of \$490,529 which consisted of \$173,955 in OMPF Funds and \$316,574 in general levy funds.

While operating revenues were slightly under budget at \$2.38M or 99.2% of budget, overall revenues inclusive of tax levy, grant funding and investment income were approximately \$12.4M or 102.0% of budget.

Operations over the course of the year resulted in expenditures of \$9.70M or 97.7% of budget. Factoring in budgeted allocations to current year capital and infrastructure reserves funds results in overall expenditures of \$11.9M or 98.2% of budget.

The larger than anticipated revenues were the result of increases in the prime interest rate, higher than anticipated supplementary taxes, and an increase in paid usage of community centres and facilities.

Investment income for the year, which is a combination of interest/dividends from Kitchener-Wilmot Hydro, and interest on term deposits, was \$838,242, or 124.6% of budget. Supplementary taxes (net of write-offs) generated an additional \$88,664 over budget projections, while rental income at parks and community centres were \$168,501 or 112.4% of budget.

Savings in overall operating expenditures were generated by lower than anticipated insurance premiums, savings on hydro expenditures and temporary staffing cost savings.

Insurance premiums were budgeted to increase in 2018, however the Township benefitted from participation in the Waterloo Region Insurance Pool and witnessed a net decrease in annual insurance premiums. A combination of increased efficiencies and reduced rates resulted in a net decrease in hydro costs across the Township. Including user-pay departments, hydro charges were approximately \$64,500 lower than budget in 2018. Lastly, the in-year turnover of staff and timing of refilling those positions generated temporary savings across various departments. Notes were made throughout the report in areas where these savings were most impactful.

Winter Maintenance Reserve Fund

Winter Maintenance activities are very unpredictable, and 2018 activity levels resulted in a significant draw from the dedicated reserve fund. The 2018 operating deficit in winter maintenance is projected to clear the existing balance of \$118,314, in accordance with the Township's Reserve Fund By-Law.

This transfer helps mitigate the impact of 2018 winter maintenance activities on the levy, by lowering the current year operating deficit to just over \$9,000.

Water and Sanitary Transfer to Reserve Funds

The net transfer to Water and Sanitary Reserve Funds is projected to be approximately \$841,725 or 99.2% of budget. Although adjusted in the 2018 budget, the sanitary system continues to experience an abnormal level of inflow and infiltration (I&I). In the 2019 capital budget, staff will be proposing funding to investigate potential causes of infiltration across the sanitary network, and ultimately determine options to lower infiltration where possible.

This 2018 reserve transfer will be distributed amongst the three utility reserve funds, based upon the actual results of 2018, and assist in funding future infrastructure replacement costs.

Cemetery Transfer to Reserve Funds

The net transfer to Cemetery Reserve Funds is slightly above budgetary estimates, due to the increase in the prime interest rate during the 2018 year. The projected transfer of \$12,140 will assist in further reducing the existing reserve fund deficit, which was the result of capital outlays associated with columbarium construction.

Building Transfer from Reserve Funds

Building activity was slightly lower than 2018 projection due to a delay in development timing of an ICI project in New Hamburg. This result is a net draw from building reserve funds of \$41,018 to balance current year operations. As per Bill 124 legislation, the building division must be self-sustainable through the development industry. Therefore, future growth will need to be achieved to eliminate the deficit within this obligatory reserve fund.

Consistent with quarterly reporting, operating revenue and expense lines are broken down within the attached statement, with comments on those items that have large variances from budget estimates.

Strategic Plan Conformity:

This report is aligned with the Strategic Plan goal of being an engaged community through the communication of municipal matters. Staff provide Council and the community with an update on the status of municipal finances in accordance with the Township's Accountability and Transparency Policy.

Financial Considerations:

The results contained within this report are preliminary and may vary slightly with year-end adjustments. When results are finalized, the 2018 year-end transfers to/from reserve funds will occur and audited financial statements will be compiled.

It is worth reinforcing the importance of reserve fund growth from positive operating results, especially in light of the potential continued reduction in senior government funding (i.e. OMPF). Infrastructure reserve funds ensure the sustainability of the Township's Capital program in the absence of external funding, and the significant transfers from 2018 operating and user pay divisions will assist in the Township as we continue to grow and maintain owned infrastructure.

Conclusion:

The above report was completed based upon the financial information available at the time of the report itself. Staff from each department will be available to provide further commentary on any of the specific budget items requested.

Ashton Romany, CPA
Prepared by Manager of Accounting

Patrick Kelly, CPA, CMA
Submitted by Director of Finance

Grant Whittington
Reviewed by Chief Administrative Officer

**TOWNSHIP OF WILMOT
2018 OPERATING SUMMARY**

| | | 2018 Budget | 2018 Actual | Variance % |
|---|---------------------------|-------------------|-------------------|---------------|
| <u>EXPENDITURES</u> | | | | |
| OPERATING (EXCLUDING USER-PAY DIVISIONS) | | 9,920,980 | 9,704,756 | 97.8% |
| TRANSFER TO CAPITAL PROGRAM ¹ | | 1,744,061 | 1,744,061 | 100.0% |
| TRANSFER TO INFRASTRUCTURE RESERVE FUNDS ² | | 490,529 | 945,829 | 192.8% |
| <u>TOTAL EXPENDITURES FROM GENERAL LEVY</u> | | 12,155,570 | 12,394,646 | 102.0% |
| <u>REVENUES</u> | | | | |
| TAXATION | 2018 GENERAL LEVY | 7,505,415 | 7,505,415 | 100.0% |
| | ASSESSMENT GROWTH (0.76%) | 57,045 | 57,045 | 100.0% |
| | TAX INCREASE (1.95%) | 147,470 | 147,470 | 100.0% |
| | | 7,709,930 | 7,709,930 | 100.0% |
| OPERATING (EXCLUDING USER-PAY DIVISIONS) | | 2,397,620 | 2,379,023 | 99.2% |
| PAYMENTS IN LIEU OF TAXES | | 185,220 | 188,586 | 101.8% |
| SUPPLEMENTARY TAXES (NET OF WRITE-OFFS) ³ | | 30,500 | 119,164 | 390.7% |
| GRANTS ⁴ | | 1,159,700 | 1,159,700 | 100.0% |
| INVESTMENT INCOME ⁵ | | 672,600 | 838,242 | 124.6% |
| <u>TOTAL REVENUES TO GENERAL LEVY</u> | | 12,155,570 | 12,394,646 | 102.0% |

NOTES:

- 1 Represents the portion of Capital Program funded from General Levy, as per Report FIN 2018-07.
- 2 Transfer to infrastructure reserve funds from General Levy (\$771,874), and 15% of OMPF (\$173,955).
- 3 Net impact reflects Supplementary Taxes (\$161,761) and write-offs (\$42,597).
- 4 Represents Township's allocation of funding under the Ontario Municipal Partnership Fund (OMPF). Anticipated reductions to occur due to the revised rural and small community measure (RSCM). Staff continue discussions with ministry personnel to confirm status of this funding moving forward.
- 5 Represents dividend (\$315,487) and investment income (\$291,070) from Kitchener-Wilmot Hydro, and general bank investment income (\$231,685). Significant increase associated with prime interest rate.

**TOWNSHIP OF WILMOT
2018 OPERATING**

| | 2018 Budget | 2018 Actual | Variance % |
|---|-------------------------|-------------------------|----------------------|
| <u>GENERAL GOVERNMENT</u> | | | |
| <u>REVENUE</u> | | | |
| Administration Fees / Sale of Surplus Assets ¹ | (53,000) | (62,145) | 117.3% |
| Grant Funding - General Government ² | (2,940) | (1,680) | 57.1% |
| Licenses and Fines ³ | (85,260) | (81,593) | 95.7% |
| Penalties & Interest Revenue ⁴ | (275,000) | (260,469) | 94.7% |
| | <u>(416,200)</u> | <u>(405,887)</u> | <u>97.5%</u> |
| <u>EXPENSES</u> | | | |
| Council ⁵ | 132,430 | 128,396 | 97.0% |
| CAO, Clerks ⁶ | 593,560 | 576,296 | 97.1% |
| Insurance ⁷ | 309,600 | 268,954 | 86.9% |
| Municipal Law Enforcement/Animal Control ⁸ | 209,670 | 188,486 | 89.9% |
| Municipal Election ⁹ | 15,780 | 15,780 | 100.0% |
| Financial Services | 499,300 | 496,224 | 99.4% |
| IT Services ¹⁰ | 227,420 | 218,521 | 96.1% |
| | <u>1,987,760</u> | <u>1,892,656</u> | <u>95.2%</u> |
| <u>FIRE SERVICES</u> | | | |
| <u>REVENUE</u> | | | |
| Fire Services Revenues ¹¹ | (47,260) | (50,969) | 107.8% |
| | <u>(47,260)</u> | <u>(50,969)</u> | <u>107.8%</u> |
| <u>EXPENSES</u> | | | |
| Fire Services Administration ¹² | 903,350 | 859,233 | 95.1% |
| Fire Services Operating Expenses ¹³ | 319,000 | 296,130 | 92.8% |
| | <u>1,222,350</u> | <u>1,155,363</u> | <u>94.5%</u> |

**TOWNSHIP OF WILMOT
2018 OPERATING**

| | 2018 Budget | 2018 Actual | Variance % |
|---|-------------------------|-------------------------|----------------------|
| PUBLIC WORKS | | | |
| <u>REVENUE</u> | | | |
| Roads/Engineering Service Charges ¹⁴ | (24,100) | (31,705) | 131.6% |
| Aggregate Resource Fees ¹⁵ | (97,300) | (79,417) | 81.6% |
| Grant Funding - Public Works | (28,700) | (28,701) | 100.0% |
| | <u>(150,100)</u> | <u>(139,823)</u> | <u>93.2%</u> |
| <u>EXPENSES</u> | | | |
| Engineering Administration | 170,150 | 167,210 | 98.3% |
| Roads Administration ¹⁶ | 601,740 | 581,671 | 96.7% |
| Roads Operating Expenses ¹⁷ | 520,030 | 559,166 | 107.5% |
| Winter Control Expenses ¹⁸ | 407,390 | 418,579 | 102.7% |
| Municipal Drainage Operating Expenses ¹⁹ | 18,000 | 37,234 | 206.9% |
| Street Lighting Operating Expenses ²⁰ | 145,000 | 145,000 | 100.0% |
| Crossing Guards Operating Expenses | 53,970 | 55,996 | 103.8% |
| | <u>1,916,280</u> | <u>1,964,856</u> | <u>102.5%</u> |

**TOWNSHIP OF WILMOT
2018 OPERATING**

| | 2018 Budget | 2018 Actual | Variance % |
|--|---------------------------|---------------------------|---------------------|
| <u>RECREATION AND FACILITIES</u> | | | |
| <u>REVENUE</u> | | | |
| Wilmot Recreation Complex Revenues ²¹ | (1,441,330) | (1,395,474) | 96.8% |
| Park, Facility and Community Centre Rental Revenue ²² | (149,880) | (168,501) | 112.4% |
| Grant Funding - Recreation and Facilities ²³ | (6,020) | (15,401) | 255.8% |
| | <u>(1,597,230)</u> | <u>(1,579,376)</u> | <u>98.9%</u> |
| <u>EXPENSES</u> | | | |
| Recreation Administration ²⁴ | 740,060 | 699,088 | 94.5% |
| Wilmot Recreation Complex Administration | 1,594,560 | 1,595,251 | 100.0% |
| Wilmot Recreation Complex Operating Expenses ²⁵ | 918,420 | 890,064 | 96.9% |
| Parks & Facilities Administration | 524,550 | 520,597 | 99.2% |
| Parks and Community Centre Operating Expenses ²⁶ | 346,610 | 322,020 | 92.9% |
| Municipal Facilities Operating Expenses ²⁷ | 144,380 | 146,780 | 101.7% |
| Abandoned Cemetery Operating Expenses | 3,000 | 3,000 | 100.0% |
| | <u>4,271,580</u> | <u>4,176,800</u> | <u>97.8%</u> |

**TOWNSHIP OF WILMOT
2018 OPERATING**

| | 2018 Budget | 2018 Actual | Variance % |
|---|--------------------|--------------------|---------------|
| <u>CULTURAL SERVICES</u> | | | |
| <u>REVENUE</u> | | | |
| Castle Kilbride Admissions & Events ²⁸ | (47,330) | (53,520) | 113.1% |
| Grant Funding - Castle Kilbride | (28,600) | (26,929) | 94.2% |
| | (75,930) | (80,450) | 106.0% |
| <u>EXPENSES</u> | | | |
| Castle Kilbride Administration | 223,980 | 226,840 | 101.3% |
| Castle Kilbride Operating Expenses ²⁹ | 56,980 | 54,802 | 96.2% |
| Archives Operating Expenses | 1,550 | 1,206 | 77.8% |
| Heritage Wilmot Operating Expenses | 10,700 | 9,942 | 92.9% |
| | 293,210 | 292,789 | 99.9% |
| <u>DEVELOPMENT SERVICES</u> | | | |
| <u>REVENUE</u> | | | |
| Planning Application Fees | (106,900) | (118,468) | 110.8% |
| Business Licensing | (4,000) | (4,050) | 101.3% |
| | (110,900) | (122,518) | 110.5% |
| <u>EXPENSES</u> | | | |
| Planning | 174,800 | 170,510 | 97.5% |
| Economic Development ³⁰ | 55,000 | 51,781 | 94.1% |
| | 229,800 | 222,291 | 96.7% |
| <u>TOTAL OPERATING</u> | | | |
| <u>REVENUES</u> | (2,397,620) | (2,379,023) | 99.2% |
| <u>EXPENSES</u> | 9,920,980 | 9,704,756 | 97.8% |
| <u>NET GENERAL LEVY EXPENDITURE</u> | 7,523,360 | 7,325,733 | 97.4% |

NOTES:

- 1 Includes higher than anticipated return on Sale of Surplus assets due to the auction of surplus Sidewalk Tractor (SW-01) at \$10,835.
- 2 Represents lower than anticipated Canada Summer Jobs grant funding received for the part-time summer By-Law student. Summer staffing hours were adjusted accordingly.
- 3 Includes Dog and Kennel Licences (\$46,279); Parking Fines (\$10,980); Marriage Licences (\$15,300); Property Standards Fees (\$1,383); Lottery Licences (\$4,847); Provincial Offences (\$2,804).
- 4 Includes Tax Penalty/Interest (\$194,093); Water Penalty (\$66,376).
- 5 Includes distribution of Municipal Grants (\$44,250), as per Council report FIN 2017-41 and Discover Your Wilmot Matching Program (\$5,000) as per Council report FIN 2018-26.
- 6 Savings associated with retirement and backfilling of Director of Clerks Services position in spring of 2018. Includes unbudgeted minor capital for Township portion Regional Smart Cities Application cost (\$7,882).
- 7 Annual Insurance Pool Premiums (\$228,350) were remitted in Q2. Expenditures are net of premiums transferred to user-pay divisions (\$19,396) and includes self insured deductible expenses net of transfer from reserves (\$60,000). Total cost savings are due to unanticipated reduction in 2018 insurance pool premium.
- 8 Lower than anticipated costs due to retirement of Senior Municipal Law Enforcement and backfilling, and temporary vacancy in Municipal Law Enforcement position.
- 9 Expenditures associated with municipal election activities and is net transfer from reserves of (\$52,472).
- 10 Savings due to lower than anticipated support contract costs for Asset Management Software and Wireless Water Meter Reading Software.
- 11 Includes Boundary Fire Service Agreement with Blandford-Blenheim (\$5,155); Fire Permits (\$3,844); and revenue from billable calls (\$41,970).
- 12 Lower than anticipated costs due to leave of absence of Fire Training Officer in Q4, and lower than anticipated total VFF hours to budget.
- 13 Includes unbudgeted minor capital Station 1 door/switch repairs (\$2,741); Station 1 rooftop HVAC repairs (\$2,753); Station 3 water heater replacement (\$1,876); Strainer (\$1,396). Total budget savings due to lower than anticipated equipment/vehicle repairs and reduced utilization of third party bunker gear cleaning services.
- 14 Includes higher than anticipated engineering service revenue due to implementation of new fee structure in the beginning of 2018. Future year budget estimates to be adjusted accordingly.
- 15 Revenue represents aggregate resource fees below historical levels, resulting from less extraction activity throughout the Township of Wilmot during 2017. Revenue stream is somewhat unpredictable, with budget based upon 3-year average activity levels.
- 16 Lower than anticipated costs due to higher than average deployment of roads personnel towards Winter Maintenance budget in Q1.

- 17 Includes unbudgeted minor capital emergency storage building roof repair (\$1,460). 2018 maintenance levels on paved roads and expenditures of roads safety related items were above historical levels. 2019 budget will continue to be adjusted accordingly due to reflect increasing trends in this activity.
- 18 Annual expenditure is net of transfer from Winter Reserve Fund of \$118,314. This transfer, which clears the entire balance from Winter reserves is the result of significant cost increases for contracted services and salt/sand supplies experienced during 2018.
- 19 Expenditures associated with an increased level of municipal drainage activities in 2018, significant engineering works associated with ditch cleanouts on the Straus, Koch-Leis and Doreing municipal drains.
- 20 Street Light energy costs reflect reduced consumption levels due to the LED retrofit. Savings of \$56,914 has been transferred to the dedicated street light reserve fund to replenish the initial capital outlay for the network replacements. It is anticipated that the entire payback will be completed within four (4) years.
- 21 Revenues include: Ice Rentals (\$704,842); Aquatics (\$441,798); Programming (\$72,038); Concessions (\$91,967); Room/Field Rentals (\$46,827); Advertising/Promotional Fees (\$26,825); Other (\$11,177).
- 22 Includes Rental income from NH Arena/CC (\$30,078); Baden (\$18,220); Haysville (\$12,304); Mannheim (\$19,916); New Dundee (\$30,024); New Hamburg (\$26,194); Petersburg (\$12,965); St. Agatha (\$13,018); Other (\$5,782).
- 23 Represents Grant funding provided under the Healthy Kids Community Challenge (\$10,410) and Ontario Municipal Commuter Cycling Program (\$4,991).
- 24 Savings are associated with the departure of the Manager of Recreation Services in Q4.
- 25 Includes unbudgeted minor capital leisure pool filter (\$4,895); emergency brine repairs (\$1,510). Savings primarily due to decrease in hydro charges during 2018.
- 26 Includes unbudgeted minor capital New Hamburg Arena rear shed door replacement (\$1,817). Savings primarily due to decrease in hydro charges billed during 2018.
- 27 Includes unbudgeted minor capital water heater replacement at the Seniors Woodworking Shop (\$3,251).
- 28 Includes Admission (\$20,226); Giftshop (\$3,393); Programs & Workshops (\$8,010); Special Events (\$13,841); Miscellaneous (\$8,050).
- 29 Expenditures include membership with Waterloo Region Tourism Marketing Corporation (WRTMC) (\$10,000) and marketing/promotional materials (\$15,060).
- 30 Includes Township membership with the Waterloo Region Economic Development Corporation (\$50,000).

TOWNSHIP OF WILMOT
2018 OPERATING (USER-PAY)

| | 2018 Budget | 2018 Actual | Variance % |
|--|--------------------|--------------------|---------------|
| <u>WATER/SANITARY</u> | | | |
| <u>REVENUE</u> | | | |
| Utility User Fees, including Local Improvements ¹ | (5,367,270) | (5,364,342) | 99.9% |
| Utilities Sales, Service Charges | (64,000) | (46,847) | 73.2% |
| | (5,431,270) | (5,411,188) | 99.6% |
| <u>EXPENSES</u> | | | |
| Water/Sanitary Administration | 603,610 | 583,002 | 96.6% |
| Water/Sanitary Operating Expenses | 788,960 | 781,373 | 99.0% |
| Water Regional Charges ² | 1,472,000 | 1,411,193 | 95.9% |
| Sanitary Regional Charges ² | 1,718,610 | 1,792,710 | 104.3% |
| | 4,583,180 | 4,568,278 | 99.7% |
| <u>TRANSFER (TO)/FROM RESERVE FUNDS</u> ³ | (848,090) | (842,910) | 99.4% |
| <u>CEMETERY</u> | | | |
| <u>REVENUE</u> | | | |
| Cemetery User Fees | (64,430) | (63,076) | 97.9% |
| Cemetery Investment Income ⁴ | (4,000) | (7,475) | 186.9% |
| | (68,430) | (70,551) | 103.1% |
| <u>EXPENSES</u> | | | |
| Cemetery Administration | 20,650 | 23,439 | 113.5% |
| Cemetery Operating Expenses | 36,350 | 34,972 | 96.2% |
| | 57,000 | 58,411 | 102.5% |
| <u>TRANSFER (TO)/FROM RESERVE FUNDS</u> ⁵ | (11,430) | (12,140) | 106.2% |

**TOWNSHIP OF WILMOT
2018 OPERATING (USER-PAY)**

| | 2018 Budget | 2018 Actual | Variance % |
|---|------------------|------------------|---------------|
| <u>BUILDING</u> | | | |
| <u>REVENUE</u> | | | |
| Building Permit Fees ⁶ | (503,000) | (480,757) | 95.6% |
| | (503,000) | (480,757) | 95.6% |
| <u>EXPENSES</u> | | | |
| Building Administration | 306,250 | 293,099 | 95.7% |
| Building Operating Expenses | 220,450 | 228,675 | 103.7% |
| | 526,700 | 521,774 | 99.1% |
| <u>TRANSFER (TO)/FROM RESERVE FUNDS</u> ⁷ | 23,700 | 41,018 | 173.1% |

NOTES:

- 1 Revenue includes Water Service Fees of \$2,787,888 or 101.0% of budget, and Sanitary Fees of \$2,576,454 or 98.7% of budget.
- 2 Reflects annual flows to/from the Region of Waterloo. Sanitary Regional Charges Budget was increased in 2018 to reflect increasing trend in inflow and infiltration, studies are proposed in the 2019 Capital Program to identify critical areas and plan for remedies.
- 3 This anticipated transfer will be distributed amongst the three (3) utility reserve funds, and will assist in funding future infrastructure replacement costs.
- 4 Higher than anticipated investment income due to increases in the prime interest rate.
- 5 This anticipated transfer will be allocated to the Cemetery Reserve Fund, and will assist in reducing the current deficit of \$54,752 in this Reserve Fund.
- 6 Lower than anticipated due to the delay in development timing of an ICI project in New Hamburg. Permit fees are also outlined within the Building Statistics reporting from Development Services.
- 7 This anticipated transfer will be drawn from the Bill 124 Reserve Fund to balance current year operations. This fund is expected to be replenished through upcoming years of expected growth.



Township of Wilmot **COMMITTEE REPORT**

| | |
|---------------------|---|
| REPORT NO. | FIN 2019-02 |
| TO: | Ad Hoc Budget Advisory Committee |
| PREPARED BY: | Ashton Romany, CPA Manager of Accounting |
| DATE: | January 14, 2019 |
| SUBJECT: | Final Review of 2018 Capital Program |

Recommendation:

That report FIN 2019-02, prepared by the Manager of Accounting, regarding the 2018 Capital Program, for the period ending December 31, 2018, be endorsed.

Background:

The attached report is presented to provide the Ad-Hoc Budget Advisory Committee with information concerning the status of Township's 2018 Capital Program. The structure of the report is divided into two separate columns; the first column outlines the current year Capital Budget of funding and expenditures. The total budget value of the Township's 2018 Capital Program is \$5,874,248. The second column outlines the total funding available and actual expenditures across the entire capital program. This column includes amounts carried forward from previous years for multi-year projects.

It is important to note that projects showing zero funding and expenditures within the first column (2018 Budget) were either budgeted within a previous fiscal year, or unbudgeted emergency works completed within the current year.

Discussion:

The total unexpended funding across the Township's entire Capital program as of statement date is approximately \$5.3 Million. The majority of this funding relates to the Wilmot Employment Lands works, scheduled to commence in 2018. Funding has been carried forward to 2019 for this and other multi-year projects, while the unexpended funds on completed projects, will be returned to their original funding source as part of year end processing.

In total, forty-one (41) projects will be closed as part of year end processing and thirty-three (33) projects will be carried forward into 2019. Several of the carry-forward projects are anticipated to be completed early in 2019, including LED Conversions, Holland Mills Bridge, and the Administration Complex Carpet Replacement. Other projects will continue throughout 2019, including Wilmot and Church Street Reconstruction, Library Services Review and the Wilmot Employment Lands.

Strategic Plan Conformity:

This report is aligned with the Strategic Plan goal of being an engaged community through the communication of municipal matters. Staff provide Council and the community with an update on the status of municipal finances in accordance with the Township's Accountability and Transparency Policy.

Financial Considerations:

Projects that were completed within fiscal 2018 will be closed to ensure that actual funding and expenditures for projects are balanced. Any surplus funds will be returned to the original funding source, while deficiencies will be allocated from the original funding source to balance projects. 2018 program closing will require an additional \$77,950 from the General Levy.

| | |
|---|--------------------|
| Budgeted Capital Expenditures from General Levy | \$1,744,091 |
| Actual Capital Expenditures from General Levy | <u>(1,822,041)</u> |
| Additional Levy Requirement | \$ 77,950 |

The main drivers of this additional levy allocation include unbudgeted emergency repairs to the sand/salt dome, closure of the King Street Reconstruction project from 2017 and asphalt pricing impacts on the 2018 Surface Treatment Program. This requirement will reduce the overall operating surplus for 2018.

Conclusion:

Each outstanding capital project outlined in this report is expected to be completed within budget, with the exception of projects receiving additional funding approval from Council. In addition, all projects are expected to be completed within the time-frame specified by the individual department heads.

Ashton Romany, CPA
Prepared by Manager of Accounting

Patrick Kelly, CPA, CMA
Submitted by Director of Finance

Grant Whittington
Reviewed by Chief Administrative Officer

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|---|----------------------|---|---|
| <u>MANNHEIM DIGITAL SIGN</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (22,000.00) | (22,000.00) | Project deferred to 2019. Project location and design concluded awaiting arrangements for internet connectivity. Project to commence in Q2. |
| | (22,000.00) | (22,000.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 22,000.00 | - | |
| | 22,000.00 | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (22,000.00) | |
| <u>MUNICIPAL LAW ENFORCEMENT VEHICLE</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (34,000.00) | (34,000.00) | Project Completed. |
| Contribution from Sale of Surplus Assets | (1,000.00) | (5,963.87) | |
| | (35,000.00) | (39,963.87) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 35,000.00 | 27,451.91 | |
| | 35,000.00 | 27,451.91 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 68.69% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (12,511.96) | |
| <u>2018 EMERGENCY FLOOD DAMAGE REPAIRS</u> | | | |
| <u>FUNDING</u> | | | Majority of repairs to flood damaged infrastructure completed. Application submitted to Municipal Disaster Recovery Assistance Program (MDRA) in late Q2 as per Council Report FIN 2018-23. Program eligibility to be determined after all expenditures are submitted to Ministry for review. |
| Contribution from General Levy | - | - | |
| Contribution from Grants (MDRA) | - | - | |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 282,859.72 | |
| | - | 282,859.72 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | Unfunded | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 282,859.72 | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|---|----------------------|---|--|
| <u>ASSET MANAGEMENT ROADMAP (PHASE I-III)</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (10,800.00) | (10,800.00) | Project works completed. Strategic Asset Management Policy approved under Council report PW 2018-18. Work continues to eliminate data-gaps and integrate work order management into asset management framework. Next phases of Roadmap included within the 10-year capital forecast. |
| Contribution from Grants (MAMP) | (43,200.00) | (42,697.96) | |
| | <u>(54,000.00)</u> | <u>(53,497.96)</u> | |
| <u>EXPENSES</u> | | | |
| Expenditures | 54,000.00 | 53,372.45 | |
| | <u>54,000.00</u> | <u>53,372.45</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 99.77% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (125.51) | |
| <u>FLEXNET WIRELESS METER READING UPGRADES</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Funds | - | (22,500.00) | Project Completed. |
| Contribution from Grants (CWWF) | - | (56,465.97) | |
| | <u>-</u> | <u>(78,965.97)</u> | |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 75,287.95 | |
| | <u>-</u> | <u>75,287.95</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 95.34% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (3,678.02) | |
| <u>ANNUAL HARDWARE AND SOFTWARE UPGRADES</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (27,000.00) | (27,000.00) | Project Completed. |
| | <u>(27,000.00)</u> | <u>(27,000.00)</u> | |
| Expenditures | 27,000.00 | 21,017.41 | |
| | <u>27,000.00</u> | <u>21,017.41</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 77.84% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (5,982.59) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|---|----------------------|---|---|
| <u>NETWORK INFRASTRUCTURE UPDATES AND REPLACEMENTS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (60,000.00) | (60,000.00) | |
| | (60,000.00) | (60,000.00) | |
| <u>EXPENSES</u> | | | Project Completed. |
| Expenditures | 60,000.00 | 46,549.84 | |
| | 60,000.00 | 46,549.84 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 77.58% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (13,450.16) | |
| <u>STATION 3 TANKER TRUCK REPLACEMENT (T35)</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | - | (358,000.00) | |
| Contribution from Sale of Vehicle | - | (9,015.50) | |
| | - | (367,015.50) | Project Completed. Additional costs associated with final specifications and are funded from Infrastructure Reserve Funds - Equipment, as per Council Report FD 2017-01. |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 414,168.34 | |
| | - | 414,168.34 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 112.85% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 47,152.84 | |
| <u>RADIO EQUIPMENT UPGRADES</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (400,000.00) | |
| | - | (400,000.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 285,073.69 | |
| | - | 285,073.69 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 71.27% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (114,926.31) | Regional contract awarded to Motorola, with estimated costs of \$333,000 for Wilmot user-gear, as per Regional report COR-FFM-18-11. Deployment anticipated for early 2020. |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|--|
| <u>STATION 3 RENOVATION ENGINEERING AND RENOVATIONS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Development Charges | (20,000.00) | (20,000.00) | |
| | (20,000.00) | (20,000.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 20,000.00 | 4,415.89 | |
| | 20,000.00 | 4,415.89 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 22.08% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (15,584.11) | Design works on-going with consultants, in preparation for tender release in early 2019. |
| <u>PERSONAL PROTECTIVE EQUIPMENT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (19,445.00) | (19,445.00) | |
| | (19,445.00) | (19,445.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 19,445.00 | 20,880.52 | |
| | 19,445.00 | 20,880.52 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 107.38% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 1,435.52 | Project Completed. |
| <u>BRANDING FIRE STATION WEAR</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (21,600.00) | (21,600.00) | |
| | (21,600.00) | (21,600.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 21,600.00 | 21,107.66 | |
| | 21,600.00 | 21,107.66 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 97.72% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (492.34) | Project Completed. |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|---|----------------------|---|--|
| <u>SCBA AIR FILLING STATION</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | (65,000.00) | (65,000.00) | Contract awarded to Comp-Air Canada for \$59,676.13 (net of HST rebate), as per Council report FS 2018-03. Installation anticipated to be completed in early 2019. |
| | (65,000.00) | (65,000.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 65,000.00 | 446.33 | |
| | 65,000.00 | 446.33 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.69% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (64,553.67) | |
| <u>AUTOMATED EXTERNAL DEFIBRILLATORS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (20,000.00) | (20,000.00) | Project Completed. |
| | (20,000.00) | (20,000.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 20,000.00 | 16,573.36 | |
| | 20,000.00 | 16,573.36 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 82.87% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (3,426.64) | |
| <u>AUTO EXTRICATION EQUIPMENT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (146,000.00) | (146,000.00) | Project Completed. Additional costs associated with change in final specifications as per Council report FS 2018-05. |
| | (146,000.00) | (146,000.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 146,000.00 | 171,857.39 | |
| | 146,000.00 | 171,857.39 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 117.71% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 25,857.39 | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|-----------------------|---|--|
| <u>STATION 1 (BD) ROOF REPLACEMENT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (32,000.00) | (32,000.00) | |
| | (32,000.00) | (32,000.00) | |
| <u>EXPENSES</u> | | | Project Completed. |
| Expenditures | 32,000.00 | 21,443.88 | |
| | 32,000.00 | 21,443.88 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 67.01% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (10,556.12) | |
| <u>KING ST RECONSTRUCTION</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (234,000.00) | |
| Contribution from Reserve Fund | - | (118,620.00) | |
| Contribution from Grants (CWWF) | - | (46,378.50) | |
| | - | (398,998.50) | Project Completed. Unfunded capital to be sourced from Reserve Funds and General Levy proportionately, as per Council Report PW 2017-07. |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 520,723.98 | |
| | - | 520,723.98 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 130.51% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 121,725.48 | |
| <u>MILTON & BYRON ST RECONSTRUCTION</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (279,430.00) | (279,430.00) | |
| Contribution from Reserve Fund | (421,100.00) | (525,100.00) | |
| Contribution from Grants (Fed Gas Tax) | (612,270.00) | (612,270.00) | |
| | (1,312,800.00) | (1,416,800.00) | Contract awarded to Sousa Concrete in the amount of \$1,130,803.37 (net of HST rebate), as per Council report PW 2018-03. Final utility work, pole relocations and surface asphalt work, to be completed in summer 2019. |
| <u>EXPENSES</u> | | | |
| Expenditures | 1,312,800.00 | 1,035,666.34 | |
| | 1,312,800.00 | 1,035,666.34 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 73.10% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (381,133.66) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|-----------------------|---|--|
| <u>ST. AGATHA MUNICIPAL DRAIN</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (32,570.00) | |
| Contribution from Region of Waterloo | - | (194,456.79) | |
| Contribution from Landowner | - | (347,094.81) | |
| | - | (574,121.60) | Project Completed. |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 574,275.04 | |
| | - | 574,275.04 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 100.03% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 153.44 | |
| <u>HOLLAND MILLS BRIDGE (17/B)</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | (126,000.00) | (343,100.00) | |
| Contribution from Grants (OCIF Top-Up) | (1,134,000.00) | (898,644.75) | |
| | (1,260,000.00) | (1,241,744.75) | Contract awarded to Premier Concrete in the amount of \$1,374,331.27 (net of HST rebate), as per Council report PW 2018-04. On site-works completed, final invoicing anticipated in early 2019 for submission to OCIF program. |
| <u>EXPENSES</u> | | | |
| Expenditures | 1,260,000.00 | 940,316.75 | |
| | 1,260,000.00 | 940,316.75 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 75.73% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (301,428.00) | |
| <u>WILMOT EMPLOYMENT LANDS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Development Charges | - | (3,116,095.00) | |
| Contribution from Grant (CWWF) | - | - | |
| Contribution from Region | - | - | |
| | - | (3,116,095.00) | Staff continue working on draft development applications with two (2) property owners, in conjunction with construction of infrastructure on the Employment Lands. |
| Expenditures | - | 8,911.83 | |
| | - | 8,911.83 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.29% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (3,107,183.17) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|--|
| <u>HANNAH AND LEWIS STREET RECONSTRUCTION - ENG. SERV</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (28,000.00) | Contract awarded to AECOM for \$91,148 (net of HST rebate, as per Council Report PW 2017-16. Project on-going (2017-2019). PIC delayed due to storm sewer investigative work. Final design/tendering/construction anticipated in 2019. |
| Contribution from Reserve Fund | - | (20,000.00) | |
| Contribution from Grants (OCIF) | - | (45,000.00) | |
| | - | (93,000.00) | |
| Expenditures | - | 20,633.60 | |
| | - | 20,633.60 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 22.19% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (72,366.40) | |
| <u>ARTICULATED LOADER REPLACEMENT (L3)</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (140,000.00) | (140,000.00) | Project Completed. |
| Contribution from Reserve Fund | (140,000.00) | (140,000.00) | |
| Contribution from Sale of Surplus Assets | (20,000.00) | (35,228.50) | |
| | (300,000.00) | (315,228.50) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 300,000.00 | 220,878.33 | |
| | 300,000.00 | 220,878.33 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 70.07% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (94,350.17) | |
| <u>ROADS NEEDS STUDY AND TRAFFIC COUNTS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Grants (OCIF) | (80,000.00) | (80,000.00) | Project site works completed. Final report to be completed in early 2019. |
| | (80,000.00) | (80,000.00) | |
| Expenditures | 80,000.00 | 74,079.78 | |
| | 80,000.00 | 74,079.78 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 92.60% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (5,920.22) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|--|
| <u>WILMOT AND CHURCH STREET ENGINEERING</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (85,168.00) | (85,168.00) | Contracted awarded to MTE Consultants in the amount of \$91,556.02 (net of HST rebate), as per Council report PW 2018-09. PIC held in Fall 2018 and construction anticipated in 2019, subject to Council approval. |
| Contribution from Reserve Fund | (22,820.00) | (22,820.00) | |
| | <u>(107,988.00)</u> | <u>(107,988.00)</u> | |
| <u>EXPENSES</u> | | | |
| Expenditures | 107,988.00 | 53,483.40 | |
| | <u>107,988.00</u> | <u>53,483.40</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 49.53% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (54,504.60) | |
| <u>HOT MIX PAVING PROGRAM`18</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Grants (OCIF) | (337,000.00) | (337,000.00) | Project Completed. |
| | <u>(337,000.00)</u> | <u>(337,000.00)</u> | |
| Expenditures | 337,000.00 | 344,847.72 | |
| | <u>337,000.00</u> | <u>344,847.72</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 102.33% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 7,847.72 | |
| <u>SUFACE TREATMENT PROGRAM`18</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (253,403.00) | (253,403.00) | Project Completed. Additional costs due to emulsion quantities and asphalt price index. |
| Contribution from Reserve Fund | (232,170.00) | (232,170.00) | |
| Contribution from Grants (OCIF) | (33,427.00) | (33,427.00) | |
| | <u>(519,000.00)</u> | <u>(519,000.00)</u> | |
| Expenditures | 519,000.00 | 548,885.18 | |
| | <u>519,000.00</u> | <u>548,885.18</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 105.76% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 29,885.18 | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|---|
| <u>EMPLOYMENT LANDS MULTI-USE TRAIL</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Development Charges | (217,600.00) | (217,600.00) | |
| Contribution from Grants (OMCC) | (102,400.00) | (102,400.00) | |
| | (320,000.00) | (320,000.00) | Works to be completed in conjunction with the employment lands project. |
| <u>EXPENSES</u> | | | |
| Expenditures | 320,000.00 | - | |
| | 320,000.00 | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (320,000.00) | |
| <u>RETAINING WALL - BENJAMIN STREET</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (15,000.00) | (15,000.00) | |
| | (15,000.00) | (15,000.00) | Project Completed. |
| Expenditures | 15,000.00 | 16,237.75 | |
| | 15,000.00 | 16,237.75 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 108.25% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 1,237.75 | |
| <u>BRIDGE STREET BRIDGE REPAIRS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (100,000.00) | (100,000.00) | |
| | (100,000.00) | (100,000.00) | Project Completed. |
| Expenditures | 100,000.00 | 119,601.23 | |
| | 100,000.00 | 119,601.23 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 119.60% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 19,601.23 | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|--|
| BRIDGE IMPROVEMENTS - ENGINEERING | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | (15,000.00) | (15,000.00) | Specifications currently under review for Berlett's Rd #5/B-T3 and Lisbon Rd #3/T-C1. Project deferred to 2019. |
| | (15,000.00) | (15,000.00) | |
| Expenditures | 15,000.00 | - | |
| | 15,000.00 | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (15,000.00) | |
| SAND/SALT DOME REPAIRS | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | - | Emergency repairs to structure, caused by storm damage. Funding received from insurance pool for eligible costs, remainder to be funded from General Levy. |
| Contribution from Insurance Pool | - | (33,553.37) | |
| | - | (33,553.37) | |
| Expenditures | - | 65,126.40 | |
| | - | 65,126.40 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 194.10% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 31,573.03 | |
| LED STREETLIGHT CONVERSION | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | - | (329,000.00) | Project Completed. Payback to reserve funds anticipated to be completed within 4 years from savings in energy charges on the LED network. |
| Contribution from Grants (saveONenergy) | - | (39,645.00) | |
| | - | (368,645.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 374,684.96 | |
| | - | 374,684.96 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 101.64% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 6,039.96 | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|---|
| <u>SIDEWALK PROGRAM`18</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (85,000.00) | (85,000.00) | Project Completed. |
| | (85,000.00) | (85,000.00) | |
| Expenditures | 85,000.00 | 85,343.73 | |
| | 85,000.00 | 85,343.73 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 100.40% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 343.73 | |
| <u>GRAVEL CRUSHING PROGRAM`18</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (50,000.00) | (50,000.00) | Project Completed. |
| | (50,000.00) | (50,000.00) | |
| Expenditures | 50,000.00 | 47,834.58 | |
| | 50,000.00 | 47,834.58 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 95.67% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (2,165.42) | |
| <u>SNYDERS ROAD SANITARY AND STORM SEWERS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (15,000.00) | (15,000.00) | Project construction under Regional coordination, delayed until 2020-2021. |
| Contribution from Reserve Fund | (150,000.00) | (150,000.00) | |
| | (165,000.00) | (165,000.00) | |
| Expenditures | 165,000.00 | - | |
| | 165,000.00 | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (165,000.00) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|--------------------|
| <u>LIFT STATION 2 PUMPS REPLACEMENT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | (23,000.00) | (23,000.00) | Project Completed. |
| | <u>(23,000.00)</u> | <u>(23,000.00)</u> | |
| Expenditures | 23,000.00 | 22,950.59 | |
| | <u>23,000.00</u> | <u>22,950.59</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 99.79% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (49.41) | |
| <u>PORTABLE DIESEL AIR COMPRESSOR</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | (22,000.00) | (22,000.00) | Project Completed. |
| | <u>(22,000.00)</u> | <u>(22,000.00)</u> | |
| Expenditures | 22,000.00 | 20,383.55 | |
| | <u>22,000.00</u> | <u>20,383.55</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 92.65% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (1,616.45) | |
| <u>RIVERSIDE CEMETERY COLUMBARIUM - PHASE 2</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | - | (42,000.00) | Project Completed. |
| | <u>-</u> | <u>(42,000.00)</u> | |
| Expenditures | - | 39,636.55 | |
| | <u>-</u> | <u>39,636.55</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 94.37% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (2,363.45) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|---|
| <u>ARTIFICIAL TURF SPORTS FIELD - WODSS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | - | (117,500.00) | |
| Contribution from Development Charges | - | (382,500.00) | |
| | - | (500,000.00) | Project was tendered by WRDSB in 2018. All bids were over budget therefore, entire project deferred to 2019 as per Board direction. |
| <u>EXPENSES</u> | | | |
| Expenditures | - | - | |
| | - | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (500,000.00) | |
| <u>TRAIL DESIGN - BECKDALE, SMITH CREEK FLATS, SCHNELLER/COUNTRY CREEK CROSSING</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Development Charges | - | (35,900.00) | |
| Contribution from Trust Fund | - | (14,100.00) | |
| | - | (50,000.00) | RFP under development for 2019 Q1 release. |
| Expenditures | - | - | |
| | - | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (50,000.00) | |
| <u>TRAIL SIGNAGE</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Development Charges | - | (10,000.00) | |
| | - | (10,000.00) | New signage locations and updated information board currently under review by staff. Final design and installations deferred to 2019. |
| Expenditures | - | 408.87 | |
| | - | 408.87 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 4.09% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (9,591.13) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|---|
| <u>FACILITIES MAINTENANCE VAN REPLACEMENT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (44,000.00) | (44,000.00) | |
| Contribution from Sale of Surplus Assets | (1,000.00) | - | |
| | (45,000.00) | (44,000.00) | Vehicle delivered in late November 2018. Interior shelving/racking to be installed in January 2019. |
| <u>EXPENSES</u> | | | |
| Expenditures | 45,000.00 | 30,737.00 | |
| | 45,000.00 | 30,737.00 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 69.86% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (13,263.00) | |
| <u>REFORESTATION PROGRAM</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Grants (KW Hydro) | (45,000.00) | (90,000.00) | |
| | (45,000.00) | (90,000.00) | Project on-going. Funding includes 2017 & 2018 KW Hydro grant. |
| Expenditures | 45,000.00 | 79,626.25 | |
| | 45,000.00 | 79,626.25 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 88.47% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (10,373.75) | |
| <u>FACILITIES PICK-UP TRUCK</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | (55,000.00) | (55,000.00) | |
| Contribution from Sale of Surplus Assets | (1,000.00) | (3,944.25) | |
| | (56,000.00) | (58,944.25) | Project Completed. |
| <u>EXPENSES</u> | | | |
| Expenditures | 56,000.00 | 58,966.78 | |
| | 56,000.00 | 58,966.78 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 100.04% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 22.53 | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|---|
| <u>BOILER REPLACEMENT - 121 HURON</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (22,500.00) | (22,500.00) | Project works anticipated to be completed in early 2019. |
| | <u>(22,500.00)</u> | <u>(22,500.00)</u> | |
| | 22,500.00 | 8,573.69 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 38.11% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (13,926.31) | |
| <u>PARKING LOT DRAINAGE - SENIOR'S WOODWORKING SHOP</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (12,000.00) | Project requirements were reviewed with the contractor in November 2018 however, construction on adjacent property and poor weather in Q4 necessitated deferral to 2019 Q2. |
| Contribution from Reserve Fund | - | (28,000.00) | |
| | <u>-</u> | <u>(40,000.00)</u> | |
| Expenditures | - | - | |
| | <u>-</u> | <u>-</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (40,000.00) | |
| <u>LIBRARY SERVICES FACILITY REVIEW</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (8,400.00) | Project deferred to 2019. |
| Contribution from Development Charges | - | (21,600.00) | |
| | <u>-</u> | <u>(30,000.00)</u> | |
| <u>EXPENSES</u> | | | |
| Expenditures | - | - | |
| | <u>-</u> | <u>-</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (30,000.00) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|---|----------------------|---|---|
| <u>ADMIN CARPET REPLACEMENT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (60,000.00) | Majority of carpet replacements completed, including Council Chambers in Q4 2018. |
| | - | (60,000.00) | |
| Expenditures | - | 30,742.60 | Remaining works, within Development Services areas, will be completed in Q1 2019. |
| | - | 30,742.60 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 51.24% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (29,257.40) | |
| <u>NH ARENA ENGINEERING/RE-COMMISSIONING STUDY</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | - | (8,400.00) | Contract awarded to NA Engineering Associates Inc. for \$44,570.88 (net of HST rebate), as per Council Report FRS 2018-05. Draft report received by staff in late 2018 Q4. Final report from the consultant and staff report to Council anticipated in 2019 Q1. |
| Contribution from Development Charges | - | (21,600.00) | |
| | - | (30,000.00) | |
| Expenditures | - | 29,308.44 | |
| | - | 29,308.44 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 97.69% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (691.56) | |
| <u>FLOOR SCRUBBER REPLACEMENT- NEW HAMBURG ARENA</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (4,000.00) | (4,000.00) | Project Completed. |
| Contribution from Reserve Fund | (9,000.00) | (9,000.00) | |
| | (13,000.00) | (13,000.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 13,000.00 | 10,514.41 | |
| | 13,000.00 | 10,514.41 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 80.88% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (2,485.59) | |

**2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018**

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|---|----------------------|---|--|
| <u>FIRE ALARM UPGRADES - NEW HAMBURG ARENA</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | (29,400.00) | (29,400.00) | Project Completed. |
| | (29,400.00) | (29,400.00) | |
| Expenditures | 29,400.00 | 31,773.54 | |
| | 29,400.00 | 31,773.54 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 108.07% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 2,373.54 | |
| <u>WRC/SCHMIDT WOODS TRAIL DESIGN/CONSTRUCTION</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Development Charges | - | (200,000.00) | Project Completed. |
| Contribution from Canada 150 -Intake 1 | - | (119,187.00) | |
| Contribution from Sale of Surplus Assets | - | (27,079.21) | |
| Contribution from Trails Trust Fund | - | (24,000.00) | |
| | - | (370,266.21) | |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 376,003.28 | |
| | - | 376,003.28 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 101.55% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 5,737.07 | |
| <u>LED LIGHTING RETROFITS - WRC</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (45,000.00) | Project completed on twin pads. Design and installation of pool lighting delayed due to on-going supplier issues. Staff investigating alternative suppliers to complete project. |
| Contribution from Reserve Fund | - | (21,674.00) | |
| Contribution from Canada 150 - Intake 2 | - | (56,990.00) | |
| Contribution from Grants (saveONenergy) | - | (8,240.00) | |
| | - | (131,904.00) | |
| Expenditures | - | 71,423.04 | |
| | - | 71,423.04 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 54.15% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (60,480.96) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|--|
| <u>LED RE-LAMPING - WRC</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (11,900.00) | (11,900.00) | Project completion anticipated in Q1 2019. Additional costs associated with unanticipated replacement of ballasts in Phase I. Application to be submitted to saveONenergy for approximately \$8,000 in incentives once all lighting is complete. |
| Contribution from Grants (saveONenergy) | (2,100.00) | - | |
| | <u>(14,000.00)</u> | <u>(11,900.00)</u> | |
| Expenditures | 14,000.00 | 22,413.39 | |
| | <u>14,000.00</u> | <u>22,413.39</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 188.35% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 10,513.39 | |
| <u>ROOF REPAIRS - WRC PHASE I</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (32,000.00) | (32,000.00) | Project Completed. |
| | <u>(32,000.00)</u> | <u>(32,000.00)</u> | |
| <u>EXPENSES</u> | | | |
| Expenditures | 32,000.00 | 41,015.00 | |
| | <u>32,000.00</u> | <u>41,015.00</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 128.17% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 9,015.00 | |
| <u>WRC MAINTENANCE REPAIRS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (30,000.00) | (30,000.00) | Project completed. |
| | <u>(30,000.00)</u> | <u>(30,000.00)</u> | |
| Expenditures | 30,000.00 | 21,850.02 | |
| | <u>30,000.00</u> | <u>21,850.02</u> | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 72.83% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (8,149.98) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|---|----------------------|---|---|
| <u>WILMOT POOL DEMOLITION</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | - | - | Project Completed. Project funded 50/50 between WRDSB and Township. Wilmot portion of costs to be funded from Infrastructure Reserve Funds - Facilities, as per Council Report PRD 2017-09. |
| Contribution from WRDSB | - | (26,282.46) | |
| | - | (26,282.46) | |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 52,564.92 | |
| | - | 52,564.92 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 200.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 26,282.46 | |
| <u>TENNIS COURT LIGHTING - BECK PARK</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | (51,000.00) | (51,000.00) | Project awarded to Clark Multi-Trade Contractors For \$40,876.37 (net of HST rebate), as per Council Report PRD 2018-06. Project approximately 45% complete. |
| Contribution from Grants (saveONenergy) | (9,000.00) | - | |
| | (60,000.00) | (51,000.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | 60,000.00 | 16,350.55 | |
| | 60,000.00 | 16,350.55 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 32.06% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (34,649.45) | |
| <u>COUNTRY CREEK-SCHNELLER DRIVE PATHWAY LINKAGE</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (22,915.00) | (22,915.00) | Design of this linkage included within scope of work for RFP to be released in 2019 Q1. Construction deferred to 2019 capital program. |
| Contribution from Development Charges | (74,600.00) | (74,600.00) | |
| | (97,515.00) | (97,515.00) | |
| Expenditures | 97,515.00 | - | |
| | 97,515.00 | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (97,515.00) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|---|----------------------|---|--|
| <u>LASCHINGER WOODS TRAIL DEVELOPMENT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Forest Glen Trust Fund | - | (20,000.00) | Ash tree removal complete. Trail design included within scope of work for RFP to be released in 2019 Q1. Construction deferred to 2019 capital program |
| | - | (20,000.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | - | - | |
| | - | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (20,000.00) | |
| <u>MANNHEIM CC DOOR REPLACEMENTS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (15,750.00) | Project Completed. |
| | - | (15,750.00) | |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 15,592.06 | |
| | - | 15,592.06 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 99.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (157.94) | |
| <u>MANNHEIM CC EXTERIOR CLADDING REPLACEMENT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (15,000.00) | (15,000.00) | Quotations received. Project to commence in February 2019. |
| | (15,000.00) | (15,000.00) | |
| Expenditures | 15,000.00 | - | |
| | 15,000.00 | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (15,000.00) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|---|----------------------|---|--------------------|
| <u>NEW DUNDEE PARK TENNIS COURT REPLACEMENT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (93,334.00) | |
| Contribution from Canada 150 - Intake 2 | - | (36,436.00) | |
| | - | (129,770.00) | Project Completed. |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 153,259.18 | |
| | - | 153,259.18 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 118.10% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 23,489.18 | |
| <u>BANDSHELL & UPPER FACADE REPLACEMENT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from Reserve Fund | - | (12,000.00) | |
| | - | (12,000.00) | Project Completed. |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 19,235.10 | |
| | - | 19,235.10 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 160.29% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 7,235.10 | |
| <u>NORM HILL PARK - MATERIAL STORAGE BUNKERS</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (12,000.00) | |
| | - | (12,000.00) | Project Completed. |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 12,380.66 | |
| | - | 12,380.66 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 103.17% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 380.66 | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

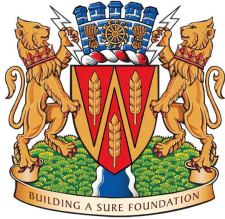
| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|--|
| <u>KIRKPATRICK PARK & AREA - PARKING ENHANCEMENT REVIEW</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (58,000.00) | |
| Contribution from Grants (Main St Revitalization) | - | (45,820.73) | |
| | - | (103,820.73) | Design works complete. Tendering and construction works to occur in 2019. |
| <u>EXPENSES</u> | | | |
| Expenditures | - | 25,719.47 | |
| | - | 25,719.47 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 24.77% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (78,101.26) | |
| <u>REPLACE D#3 BACKSTOP FENCE - NORM HILL PARK</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (25,000.00) | (25,000.00) | |
| | (25,000.00) | (25,000.00) | Project completed. Majority of replacement costs were completed and submitted under the MDRA application for flood damaged infrastructure. |
| <u>EXPENSES</u> | | | |
| Expenditures | 25,000.00 | 1,418.53 | |
| | 25,000.00 | 1,418.53 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 5.67% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (23,581.47) | |
| <u>REPLACE PLAYGROUND COMPONENTS - CONSTITUTION PARK</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (55,000.00) | (55,000.00) | |
| | (55,000.00) | (55,000.00) | Project awarded to Blue Imp Recreational Products Canada for \$54,938.19 (net of HST rebate) as per Council Report PRD 2018-07. Due to poor weather in Q4, construction deferred to 2019 Q2. |
| Expenditures | 55,000.00 | - | |
| | 55,000.00 | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (55,000.00) | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|--|----------------------|---|--------------------|
| <u>FIELDHOUSE RENOVATIONS - SCOTT PARK</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (21,000.00) | (21,000.00) | |
| | (21,000.00) | (21,000.00) | |
| <u>EXPENSES</u> | | | Project Completed. |
| Expenditures | 21,000.00 | 17,414.75 | |
| | 21,000.00 | 17,414.75 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 82.93% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (3,585.25) | |
| <u>HERITAGE WILMOT - GRANDSTAND MURAL PROJECT</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (38,000.00) | |
| | - | (38,000.00) | |
| <u>EXPENSES</u> | | | Project Completed. |
| Expenditures | - | 37,999.22 | |
| | - | 37,999.22 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 100.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (0.78) | |
| <u>ARTS AND CULTURE MASTER PLAN</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | - | (25,000.00) | |
| | - | (25,000.00) | |
| <u>EXPENSES</u> | | | Project Completed. |
| Expenditures | - | 27,302.64 | |
| | - | 27,302.64 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 109.21% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | 2,302.64 | |

2018 CAPITAL PROGRAM
FOR THE PERIOD ENDING December 31, 2018

| Project | 2018 Total Budget | Total Funding Available / Actuals to Date | Comments |
|---|----------------------|---|---|
| <u>CASTLE KILBRIDE EXTERIOR PAINTING</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (15,000.00) | (15,000.00) | |
| | (15,000.00) | (15,000.00) | |
| <u>EXPENSES</u> | | | Project works to resume in Spring 2019. |
| Expenditures | 15,000.00 | - | |
| | 15,000.00 | - | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 0.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (15,000.00) | |
| <u>ZONING BY-LAW CONSOLIDATION</u> | | | |
| <u>FUNDING</u> | | | |
| Contribution from General Levy | (29,900.00) | (29,900.00) | |
| Contribution from Development Charges | (35,100.00) | (35,100.00) | |
| | (65,000.00) | (65,000.00) | Project works on-going. |
| Expenditures | 65,000.00 | 19,498.00 | |
| | 65,000.00 | 19,498.00 | |
| <u>PERCENTAGE OF FUNDING SPENT TO DATE</u> | | 30.00% | |
| <u>UNFUNDED / (UNEXPENDED) CAPITAL</u> | - | (45,502.00) | |
| TOTAL FUNDING CAPITAL PROGRAM | (5,874,248.00) | (13,092,715.67) | |
| TOTAL EXPENDITURES | 5,874,248.00 | 7,809,099.02 | |
| (UNEXPENDED)/UNFUNDED CAPITAL | - | (5,283,616.65) | |
| % of Funding Spent | | 59.64% | |



Township of Wilmot **COMMITTEE REPORT**

REPORT NO. **FIN 2019-03**

TO: **Ad Hoc Budget Advisory Committee**

PREPARED BY: **Ashton Romany, CPA Manager of Accounting**
 Patrick Kelly, CPA, CMA Director of Finance

DATE: **January 14, 2019**

SUBJECT: **Reserve and Reserve Funds (Un-audited)**
 For the year ended December 31, 2018

Recommendation:

That Report FIN 2019-03, prepared by the Manager of Accounting and Director of Finance, regarding Reserve and Reserve Funds, for the year ended December 31, 2018, be received for information purposes.

Background:

Attached is the Reserves and Reserve Funds Statement for the year ended December 31, 2018. This statement summarizes all Reserves and Reserve Funds activities within the year.

Discussion:

Infrastructure Reserve Fund Transfers (Equipment, Transportation, Facilities)

The 2018 operating budget included an approximate transfer of \$490,529 to the infrastructure reserve funds. This was a combination of 15% of OMPF funding or \$173,955, and \$316,574 of general levy dollars.

Combining these budget allocations with year end transfers from closure of 2018 operating and capital generates a net transfer of \$867,879, or \$289,293 to each of the three (3) infrastructure reserve funds (Equipment, Transportation and Facilities). This increase will further assist with future infrastructure requirements as noted within the Township's Asset Management Plan.

Development Charges Reserve Funds

Development activities in fiscal 2018, resulted in net increase of approximately \$90,000 for the calendar year. This is the result of DC collections of \$445,000, with capital transfers and interest of \$355,000.

This positive result has a minimal impact on the existing deficit balance in the overall development charges reserve funds, currently at \$1.5M. This deficit is the result of significant growth related capital projects, such as the Wilmot Employment Lands, whereby upfront costs are incurred for critical servicing infrastructure (Roads, Water, Sanitary and Storm), with development charges collections occurring at permit issuance for ICI construction on the properties. To date, the municipality has been fortunate to have reserve fund capacity, across other discretionary funds, to carry the costs of this deficit while collecting interest from the Development Charge funds.

With the forecast for growth related capital over the next 10 years requiring in excess of \$15M in development charge funding, staff and consultants from Watson & Associates will be reviewing the cash flow impacts as part of the 2019 DC background study, to determine feasible options to continue moving ahead with growth related infrastructure projects as planned. The DC background study process will begin in mid-January, with a by-law date of September 1, 2019.

Street Lighting Infrastructure Reserve Funds

Significant savings were observed in 2018 with respect to energy charges from the conversion to LED street lights. Combining the capital project closure with operational savings in 2018, results in a projected transfer of \$50,874 to the Infrastructure Reserve Fund – Street Lighting. It is anticipated that within four years the hydro savings will fully pay back the initial capital outlay for this project.

Water/Sanitary Infrastructure Reserve Funds

The 2018 user-pay budget included a combined transfer of \$848,090 to the three (3) Utility Infrastructure Reserve Funds. Actual transfers are projected to miss this target by approximately \$5,180. Current and future collection of funds will assist with future water/sanitary capital expenditures, outlined in the Township Asset Management Plan.

Cemetery Infrastructure Reserve Funds

The 2018 operating budget at Riverside Cemetery projected a \$11,430 transfer to reserves. With increased investment income during 2018, a total transfer of \$12,140 is projected for the fiscal year. Cemetery operations are a user-pay service, and this transfer will assist in reducing the deficit within the cemetery reserve funds to \$51,676.

Building Reserve Fund (Bill 124)

As per Bill 124 legislation, the building division must be self-sustainable through the development industry. 2018 results have increased the deficit within the dedicated Building Services Reserve Fund by \$44,819. This transfer required to balance current year operations will bring the existing deficit in the Building Reserve Fund to \$804,790.

The building industry is cyclical in nature, and future growth projections including industrial and residential subdivisions, and annual fee updates will help to eliminate the existing deficit and bring this reserve fund back into a positive status.

Strategic Plan Conformity:

This report is aligned with the Strategic Plan goal of being an engaged community through the communication of municipal matters. Staff provide Council and the community with an update on the status of municipal finances in accordance with the Township's Accountability and Transparency Policy.

Financial Considerations:

The results contained within this report are preliminary and may vary slightly with year-end adjustments. When results are finalized, the 2018 year-end transfers to/from reserve funds will occur, and audited financial statements will be compiled.

The combined reserve and reserve fund balance of \$7.7M is only one component of the Townships overall cash position, as noted on the audited financial statements. The cash position of the municipality is a combination of reserve funds, reserves and capital funds held to service existing approved capital needs. The existing funds in place for current capital purposes total approximately \$5.3M, as reported in FIN 2019-02, bring the overall cash position of the municipality to approximately \$13.0M.

It is important to note the reserve and reserve funds balances as noted in the attached schedule have a specific purpose as outlined in the Reserve Fund By-Law, while the capital funding has already been committed to specific, Council approved projects yet to be completed.

The continued growth of funding held in infrastructure reserve funds is instrumental in ensuring the sustainability of the long-term infrastructure planning of the Township. This becomes paramount in the current environment where senior government support of municipal priorities is under increasing pressures.

Future fiscal plans and budgets across all areas of the municipality will promote the growth in funding dedicated to supporting long-term infrastructure needs.

Conclusion:

The above report was completed based upon the financial information available at the time of the report itself, and contains projected year end transfers. Staff will incorporate the status of municipal reserve funds into the 2019 capital budget and 10-year capital forecast.

Ashton Romany, CPA
Prepared by Manager of Accounting

Patrick Kelly, CPA, CMA
Prepared/Submitted by Director of Finance

Grant Whittington
Reviewed by Chief Administrative Officer

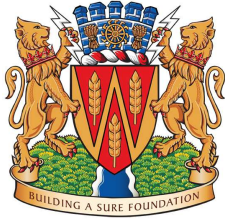
**Township of Wilmot
Reserves and Reserve Fund (un-audited)
For the year ended December 31, 2018**

| | Opening Balance 12/31/17 | Budget Allocations (to)/ from Revenue Fund | Contributions Received | 2018 Interest Allocation | Transfers (to) / from Capital Fund | Preliminary Balance 12/31/18 | Year-End Transfers to/(from) Reserve Funds | Ending Balance 12/31/18 |
|---|--------------------------------|---|---------------------------|-----------------------------|--|---------------------------------|---|----------------------------|
| <u>Reserves</u> | | | | | | | | |
| Working Funds | 502,138.93 | - | - | - | - | 502,138.93 | - | 502,138.93 |
| Total Reserves | 502,138.93 | - | - | - | - | 502,138.93 | - | 502,138.93 |
| <u>Reserve Funds</u> | | | | | | | | |
| <i>Obligatory</i> | | | | | | | | |
| Building Services (Bill 124) | (759,971.37) | (23,619.00) | - | (3,801.47) | - | (787,391.84) | (17,398.55) | (804,790.39) |
| Development Charges | (1,587,334.23) | - | 445,024.57 | (2,038.21) | (353,037.07) | (1,497,384.94) | - | (1,497,384.94) |
| Federal Gas Tax | 24,999.74 | - | 612,270.91 | 304.94 | (612,270.00) | 25,305.59 | - | 25,305.59 |
| Parkland (Cash-in-lieu) | 1,374,965.45 | - | 55,600.00 | 18,254.90 | - | 1,448,820.35 | - | 1,448,820.35 |
| Ontario Municipal Commuter Cycling | - | - | 107,337.55 | 53.86 | (107,391.41) | - | - | - |
| Total Obligatory Reserve Funds | (947,340.41) | (23,619.00) | 1,220,233.03 | 12,774.02 | (1,072,698.48) | (810,650.84) | (17,398.55) | (828,049.39) |
| <i>Discretionary</i> | | | | | | | | |
| Infrastructure Reserve Fund - Equipment | 855,542.22 | 163,510.00 | - | 10,592.16 | (260,000.29) | 769,644.09 | 125,783.10 | 895,427.19 |
| Infrastructure Reserve Fund - Facilities | 924,237.78 | 163,509.00 | - | 11,992.08 | (125,291.10) | 974,447.76 | 125,784.11 | 1,100,231.87 |
| Infrastructure Reserve Fund - Transportation | 1,144,505.23 | 163,510.00 | - | 14,096.94 | (419,012.68) | 903,099.49 | 125,783.11 | 1,028,882.60 |
| Baden West Noise Wall Reserve Fund | 69,998.01 | - | - | 927.65 | - | 70,925.66 | - | 70,925.66 |
| Elections Reserve Fund | 41,167.51 | (55,000.00) | - | 387.74 | - | (13,444.75) | 2,528.37 | (10,916.38) |
| Hamilton Road Noise Wall Reserve Fund | 138,482.18 | - | - | 1,835.27 | - | 140,317.45 | - | 140,317.45 |
| Heritage Lighting Reserve Fund (Petersburg Subdivision) | 5,630.67 | - | - | 74.61 | - | 5,705.28 | - | 5,705.28 |
| Heritage Wilmot Reserve Fund | 1,212.86 | - | - | 4.17 | - | 1,217.03 | (1,217.03) | - |
| Infrastructure Reserve Fund - IT Services | 868.18 | - | - | 11.49 | - | 879.67 | - | 879.67 |
| Infrastructure Reserve Fund - Street Lighting | (279,699.01) | - | - | (1,399.12) | (6,039.96) | (287,138.09) | 56,914.04 | (230,224.05) |
| Self-Insurance Reserve Fund | 20,184.16 | - | - | 267.50 | - | 20,451.66 | (9,902.08) | 10,549.58 |
| Winter Maintenance Reserve Fund | 116,766.74 | - | - | 1,547.49 | - | 118,314.23 | (118,314.23) | - |
| Sub-total | 3,038,896.53 | 435,529.00 | - | 40,337.98 | (810,344.03) | 2,704,419.48 | 307,359.39 | 3,011,778.87 |

Township of Wilmot
Reserves and Reserve Fund (un-audited)
For the year ended December 31, 2018

User-pay

| | Opening Balance 12/31/17 | Budget Allocations (to)/ from Revenue Fund | Contributions Received | 2018 Interest Allocation | Transfers (to) / from Capital Fund | Preliminary Balance 12/31/18 | Year-End Transfers to/(from) Reserve Funds | Ending Balance 12/31/18 |
|---|--------------------------------|---|---------------------------|-----------------------------|--|---------------------------------|---|----------------------------|
| Infrastructure Reserve Fund - Cemetery | (65,850.46) | 11,428.00 | - | (329.40) | 2,363.45 | (52,388.41) | 711.90 | (51,676.51) |
| Infrastructure Reserve Fund - Water | 2,641,055.28 | 448,033.00 | - | 34,209.91 | (286,119.21) | 2,837,178.98 | 83,706.21 | 2,920,885.19 |
| Infrastructure Reserve Fund - Water Meter | 222,108.31 | 65,999.00 | - | 2,943.55 | 3,678.02 | 294,728.88 | 12,330.62 | 307,059.50 |
| Infrastructure Reserve Fund - Sanitary | 1,965,322.99 | 334,070.00 | - | 25,003.60 | (362,423.19) | 1,961,973.40 | (101,228.90) | 1,860,744.50 |
| Sub-total - User- pay | 4,762,636.12 | 859,530.00 | - | 61,827.66 | (642,500.93) | 5,041,492.85 | (4,480.17) | 5,037,012.68 |
| Total Discretionary Reserve Funds | 7,801,532.65 | 1,295,059.00 | - | 102,165.64 | (1,452,844.96) | 7,745,912.33 | 302,879.22 | 8,048,791.55 |
| Total Reserves and Reserve Funds | 7,356,331.17 | 1,271,440.00 | 1,220,233.03 | 114,939.66 | (2,525,543.44) | 7,437,400.42 | 285,480.67 | 7,722,881.09 |



Township of Wilmot **COMMITTEE REPORT**

| | |
|---------------------|---|
| REPORT NO. | FIN 2019-04 |
| TO: | Ad Hoc Budget Advisory Committee |
| PREPARED BY: | Patrick Kelly, CPA CMA Director of Finance |
| DATE: | January 14, 2019 |
| SUBJECT: | O. Reg 284/09 – Excluded Expense Estimate |

Recommendation:

That pursuant to Ontario Regulation 284/09, this report serve as a method for communicating the exclusion of estimated amortization expenses from the 2019 Municipal Budget.

Background:

Ontario Regulation 284/09 states that municipal budgets may exclude from estimated expenses, amortization expenses on tangible capital assets, post-employment benefits expenses and solid waste landfill closure and post-closure expenses. In addition, a report about the excluded expenses and their impact on the accumulated surplus shall be approved by Council and adopted by resolution within 60 days of completing the Consolidated Financial Statements.

Section 290 of the Municipal Act requires municipalities to prepare balanced budgets which include all of the expenditures and revenues for the taxation year. The adoption of full accrual accounting within the Public Sector Accounting Board (PSAB) handbook require municipalities to report on expenses instead of expenditures. Expenditures represent outlays of assets to purchase goods and services. Expenses represent the consumption of assets to provide goods, services and intangibles. Expenses include amortization of tangible capital assets over their useful lives, change in liabilities for post-employment benefits and change in liabilities for solid waste landfill closure and post-closure.

Discussion:

The Township is not impacted by post-employment benefit expenses, solid waste landfill closure nor post-closure expenses. The single “non-cash” item excluded from the

forthcoming 2019 municipal budget is the amortization of tangible capital assets. This practice of reporting is consistent with area municipalities.

As per the audited 2017 financial statement, annual amortization for the municipality is approximately \$6.0 million. Therefore, the budget proposed to the ad hoc Budget Advisory Committee will not include approximately \$6.0 million of amortization.

Notwithstanding the exclusion of this funding of amortization, the proposed municipal budget will continue to include allocations to the Township's three (3) Infrastructure Reserve Funds, and levy funding of the 2019 Capital Program. These allocations are critical to the sustainability of the Township's Asset Management practices.

Strategic Plan Conformity:

This report is aligned with the strategy of being an engaged community through communicating municipal matters and keeping residents informed of and involved in municipal affairs. In addition, the inclusion of discussions on amortization within the overall budget process assists in meeting the corporate goal of maintaining our infrastructure.

Financial Considerations:

The actual amortization expense for fiscal 2019 will be calculated as part of year end processing and reporting within the 2019 audited financial statements. This amount will fluctuate from the estimate based upon new acquisitions and disposals of tangible capital assets throughout the year.

Conclusion:

This report is provided in accordance with O. Reg 284/09, and meets the legislative reporting requirements for accrual based budgeting

Patrick Kelly, CPA, CMA
Submitted by Director of Finance

Grant Whittington
Reviewed by Chief Administrative Officer