



**Date 30 July 2010**

## **City Council Committee Report**

**To: Mayor Compton & Members of Council**

**Fr: Karen Brown**

**Re: Budget Amendments Approved by Manager**

### **Recommendation:**

**That** Council hereby approves amending its 2010 capital and solid waste budgets to transfer \$3,995 from the Recycling Collection Depots and \$3,995 from the Solid Waste Collection Depots to the Waste / Recycling Truck, these projects belonging within the Solid Waste and Recycling departments as appropriate; and

**That** Council hereby approves amending its 2010 capital budget to transfer \$10,000 from the Operations Facility Compressor project and \$10,000 from the Operations Facility Fencing Project and \$2,621 from the Garage & Shop Tools & Equipment to the Tandem Axle Plow Truck, these projects belonging within the Operations department; and

**That** Council hereby approves amending its 2010 capital budget to transfer \$1,817 from the Parks Riding Mower to the Coney Island Band Stand Project, these projects belonging within the Parks department; and

**That** in accordance with Notice By-law Number 144-2007, public notice is hereby given that Council intends to amend its 2010 Municipal Operating and Municipal Five Year Capital Plan and 2010 Solid Waste Budgets by by-law at its August 9<sup>th</sup> meeting; and further

**That** Council hereby gives three readings to a by-law to amend the 2010 budget for this purpose.

### **Background:**

Under the City of Kenora Procurement By-law, the Manager of Finance & Administration had the authority to reallocate funds from "within the same department or function that has either been completed under budget or has been deemed of a lesser priority by that (being the requesting) Manager". As part of this authority, the "Manager of Finance & Administration shall be required to report any such transfers to Council on an annual basis for the purpose of passing

a budget amendment By-law to formally amend the budget to reflect the reallocation of funds”.

This authority has now been transferred to the new Budget / Auditor General position under the City Hall restructuring and subsequent policy amendments. As part of the transition, and in recognition of the impending election, this report is being brought forward to Council in August for approval of any changes authorized to date in 2010.

In 2010, the following reallocations have been approved to date:

- **Waste / Recycling Truck.** This project relates to the purchase of a two stream garbage collection truck for collection of both curb-side recycle and garbage at the same time. Only one bid was received. The bid was over budget by \$7,990, including the net impacts of HST (original budget being \$200,000). Operations has advised that the budget overage is as a result of a price increase on new engines to meet 2010 emissions standards, as well as a new steel surcharge imposed in 2010. The Operations Manager requested that funding be transferred equally from the Recycling and Solid Waste Collection Depots to cover the shortfall.
- **Tandem Axle Plow Truck.** This project relates to a replacement of the City’s large highway plow truck. The City received several bids, and the lowest bid that met City specifications was recommended. This bid was over budget by \$22,631 (Original budget being \$200,000). Operations has advised that the budget overage is as a result of a price increase on new engines to meet 2010 emissions standards. The Operations Manager requested that funding be transferred to cover the shortfall as follows:
  - \$10,000 from the Operations Facility Compressor project;
  - \$10,000 from the Operations Facility Fencing Project; and
  - \$2,621 from the Garage & Shop Tools & Equipment
- **Coney Island Band Stand.** This project relates to the development and construction of the Coney Island Special Events Stage. The lowest bid was \$1,817 in excess of the original budget (original budget being \$35,000). Operations has advised that the budget overage is as a result of providing full accessibility to the band stand. The Operations Manager requested that \$1,817 be transferred from the parks riding mower to accommodate this project proceeding.

**Budget:**

This is a reallocation of funds from one capital project to another, each one within the same department on a by project basis. As a result, there is no requirement for an additional allocation of funds.

**Communication Plan/Notice By-law Requirements:**

The City needs to provide notice in accordance with Notice By-law Number 144-2007 that it intends to amend its 2010 capital budget at its August 9<sup>th</sup> meeting.

Cc: Paul Derouard