

**Report to / Rapport au:**

**Ottawa Public Library Board  
Conseil d'administration de la Bibliothèque publique d'Ottawa**

**June 23, 2020/ 23 juin 2020**

**Submitted by / Soumis par:**

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**File Number:** OPLB-2020-0603

**SUBJECT: Ottawa Public Library 2020 Capital Closing of Projects – WIP**

**OBJET: Clôture de projets du budget des immobilisations de la Bibliothèque  
publique d'Ottawa (2020) – en cours**

**REPORT RECOMMENDATION**

**That the Ottawa Public Library Board receive the 2020 capital budget adjustments  
and closing of projects as outlined in this report.**

**RECOMMANDATION DU RAPPORT**

**Que le Conseil d'administration de la Bibliothèque publique d'Ottawa prenne  
connaissance des ajustements du budget des immobilisations (2020) et la clôture  
des projets, tel que décrit dans le présent rapport.**

**BACKGROUND**

On an annual basis, the City of Ottawa (City) Financial Services Unit (FSU) undertakes a review of all capital accounts to determine which accounts will remain open, which require extensions to the completion date, and which will be closed due to completion of

respective projects. This process is referred to as Works In Process (WIP) review.

Historically, the Ottawa Public Library (OPL) Board has been apprised of the results of this process in the Q1 Financial Status Report each May. In 2020, however, the impact of the COVID-19 pandemic on City of Ottawa resources delayed the review of capital accounts. In 2021 it is anticipated that this information will be included in the Q1 Financial Status Report to the Board.

The closing of capital accounts impacts the balance of the Library Reserve. The Board is therefore made aware of the closings and the resulting impacts on the reserve fund.

## DISCUSSION

### Capital Accounts Closed

There are six capital accounts that will be closed as a result of the 2020 WIP process. A total of \$411,455 will be returned to the original funding source. Of these funds, \$306,621 will be closed and transferred to the Library Reserve and \$104,834 will be transferred to the Library Development Charges account. In both cases, these funds will be available for future use as per the normal rules of financial governance. Appendix 1 attached summarizes the details of these account closures.

### Library Reserve Impact

After the closing of capital orders through the WIP process, the remaining surplus or deficit balance is transferred to, or taken from, the account which originally funded the capital project. The six accounts closed in the 2020 WIP process will increase the Library Reserve by \$306,621. Accounts 907464 - Collections 2017 and 908221 - RFID Const. & Equip. were both partially funded by development charges. In this case, the portion of the original funding provided for by the Library Reserve will be returned to the Library Reserve and is indicated in the "Tax Reserves" column in Appendix 1. The total impact of the 2019 WIP closures on the Library Reserve is an increase of \$306,621 bringing the Library Reserve balance to \$3,774,768 as shown in Table 1 – Library Reserve Balance.

**Table 1 - Library Reserve Balance**

Beginning Balance	\$ 3,468,147
Works In Progress - Closures	<u>\$ 306,621</u>
Ending Balance	\$ 3,774,768

Should any changes to the above information be recommended and subsequently approved by Council, the Board will be updated accordingly.

### **CONSULTATION**

There were no consultations performed in the preparation of this report.

### **LEGAL IMPLICATIONS**

There are no legal implications associated with this report.

### **RISK MANAGEMENT IMPLICATIONS**

There are no risk management implications associated with this report.

### **FINANCIAL IMPLICATIONS**

Any changes to the list of capital account closures will have an impact on the stated Library Reserve balance in Table 2 – Library Reserve Balance.

### **ACCESSIBILITY IMPACTS**

There are no accessibility impacts associated with this report.

### **TECHNOLOGY IMPLICATIONS**

There are no technology implications resulting from this report.

### **BOARD PRIORITIES**

This report responds to OPL value of Integrity, and further supports multiple Strategic Directions and Priorities as a fundamental financial stewardship activity ensuring financial support for strategic goals.

### **SUPPORTING DOCUMENTATION**

Document 1      Capital Account Closures

**DISPOSITION**

City Council will receive the City's Capital Adjustments and Closing of Projects report on July 15, 2020. Upon approval, the account closures and financial transactions outlined in this report will be completed by the City Financial Services Unit.

**Capital Account Closures**

<b>Project Description</b>	<b>Total Approved Authority</b>	<b>Total Spending</b>	<b>Sum of Surplus or (Deficit)</b>	<b>Tax Reserves (Library Reserve)</b>	<b>Total Development Charges</b>	<b>Closure Status</b>
904858 Library RFId 2015	\$2,102,000	\$1,993,287	\$108,713	\$52,081	\$56,632	Close
905780 Tech Infrass Lifecycle	\$240,000	\$219,095	\$20,905	\$20,905	\$0	Close
907464 Collections - 2017	\$485,000	\$478,146	\$6,854	\$989	\$5,865	Close
908221 RFID (Const & Equip)	\$1,988,500	\$1,926,960	\$61,540	\$19,203	\$42,337	Close
908265 Accessibility Technology	\$170,000	\$41,557	\$128,443	\$128,443	\$0	Close
909137 Accessibility Technology 2018	\$85,000	\$0	\$85,000	\$85,000	\$0	Close
			\$411,455	\$306,621	\$104,834	