

# SCHEDULE 52 • Sources of Capital Fund Financing and Expenditures

## General Information

Schedule 52, Sources of Capital Fund Financing and Expenditures, provides an overview of sources of capital fund financing and capital expenditures by function.

In this schedule, long term liabilities are not included as a source of capital fund financing since the issuance of long term liabilities may predate or lag the incurrence of expenditures.

Sources of capital financing are reported in 6 columns:

|           |   |
|-----------|---|
| Column 1  | Contributions from own funds - Revenue fund                                 |
| Column 2  | Contributions from own funds - Reserves, reserve funds and deferred revenue |
| Column 3  | Capital grants - Ontario  |
| Column 10 | Canada Gas Tax Funding  |
| Column 4  | Capital grants - Canada   |
| Column 5  | Other municipalities  |
| Column 6  | Other financing   |

Capital expenditures are reported in 3 columns:

|          |  |
|----------|--|
| Column 8 | Amounts for unfunded liabilities               |
| Column 7 | Capital expenditures                           |
| Column 9 | Capital expenditures less unfunded liabilities |

To determine how much financing the municipality and its consolidated local boards require, take "capital expenditures less unfunded liabilities" in SLC 52 9910 09 and subtract total sources of capital fund financing. To determine total sources of capital fund financing, sum column totals: SLC 52 9910 01 + 02 + 03 + 04 + 05 + 06.

Column totals for columns 1 through 5 are carried forward to Schedule 50:

|                |   |                |
|----------------|---|----------------|
| SLC 52 9910 01 | = | SLC 50 2010 01 |
| SLC 52 9910 02 | = | SLC 50 2020 01 |
| SLC 52 9910 03 | = | SLC 50 0410 01 |
| SLC 52 9910 04 | = | SLC 50 0420 01 |
| SLC 52 9910 05 | = | SLC 50 0699 01 |

Also, please verify that the following is accurate, otherwise a Data Verification Flag is triggered:

|                |   |                |
|----------------|---|----------------|
| SLC 52 9910 06 | = | SLC 50 0899 01 |
|----------------|---|----------------|

## Description of Lines

In Schedule 52 sources of capital fund financing and capital expenditures are functionalized. The functional categories and line numbers are the same as those used in Schedule 12, Current Revenue for Specific Functions.

## Sources Of Capital Fund Financing

### CONTRIBUTIONS FROM OWN FUNDS

#### Column 1 Contributions from own funds - Revenue fund

Report transfers from the revenue fund to the capital fund.

The total in column 1 in SLC 50 9910 01 is carried-forward to SLC 50 2010 01.

#### Column 2 Contributions from own funds - Reserves, reserve funds and deferred revenue

Report transfers from reserves, reserve funds and deferred revenue to the capital fund.

Please note that obligatory reserve funds are considered deferred revenue under the Public Sector Accounting Board (PSAB) standards.

The total in column 2 in SLC 50 9910 02 is carried-forward to SLC 50 2020 01.

### CAPITAL GRANTS

All capital grants should be reported in the capital fund and not in the revenue fund, reserves, reserve funds, or deferred revenue.

#### Column 3 Capital grants - Ontario

Although most Provincial capital grants have been eliminated, a few may remain and should be reported here. Therefore, include all Ontario capital grants, as well as capital grants from Ontario enterprises. Examples of Ontario enterprises include the Liquor License Control Board (LCBO), Ontario Hydro Services Corporation, and Ontario Power Generation Corporation.

In this column, include the Provincial Gas Tax revenue if used for capital transit operations.

The total in column 3 in SLC 50 9910 03 is carried-forward to SLC 50 0410 01.

#### Column 4 Capital grants - Canada

Report all federal capital grants.

In this column, include the amount of Canada Transit Funding (Bill C-48) on line 0630 for municipal transit.

The total in column 4 in SLC 50 9910 04 is carried-forward to SLC 50 0420 01.

#### Column 10 Canada Gas Tax Funding

Report only the Federal gas tax grant in the appropriate services: Transit, Water, Wastewater, Solid waste, Community energy systems and Roadways; if utilized during the year.

## **Column 5            OTHER MUNICIPALITIES**

Include amounts received from other municipalities for their share of capital projects. For example, include amounts received from other municipalities for joint sewer and water projects.

The total in column 5 in SLC 50 9910 05 is carried-forward to SLC 50 0699 01.

## **Column 6            OTHER FINANCING**

The total for Other financing in column 6 must equal the subtotal for Other revenue in SLC 50 0899 01. Please verify the amounts are equal, otherwise Data Verification Flags will be triggered.

In Schedule 52, Other financing is reported by function, while in Schedule 50, Other financing is reported by type (prepaid special charges, proceeds from the sale of land, etc.).

Note that capital leases are not reported in Schedule 52. They should be reported in Schedule 50, Capital Fund Operations, under the section, Long term liabilities incurred.

## **Expenditures**

In this section report capital expenditures by function for the municipality and its consolidated boards.

The expenditures section has been expanded to include three columns:

- Column 8    Amounts for unfunded liabilities
- Column 7    Capital expenditures
- Column 9    Capital expenditures less unfunded liabilities

For a more detailed discussion of capital expenditures, please see the Introduction to the FIR instructions.

## **Column 8            Amounts for unfunded liabilities**

In this column report capital expenditures related to the establishment of unfunded liabilities. An example would be capital expenditures related to establishing a liability for the closure and post-closure of solid waste management facilities.

Amounts are reported by function. SLC 52 5099 08 is used to report capital expenditures for unfunded liabilities that cannot be functionalised.

In the first year that a long-term liability is recognized, the municipality reports the unfunded portion of the liability in column 8. The funded portion is included in column 7. In the next year, the municipality reports the unfunded portion of any change in the long term liability in column 8. The amount entered would be positive if the unfunded liability increases and negative if the unfunded liability decreases.

For solid waste landfill closure and post closure liabilities the total of SLC 52 9910 08 is reported in SLC 70 2799 01 and in SLC 70 5615 01.

**Column 7                    Capital expenditures**

Capital expenditures means total capital expenditures and includes the amounts reported in column 8 pertaining to unfunded liabilities.

Exclude transfers to landowners (e.g. tile drainage, shoreline assistance). These amounts are to be reported in SLC 50 3230 01 which is the line for "Transfers of proceeds from long term liabilities to individuals".

**Column 9                    Capital expenditures less unfunded liabilities**

Column 9 is automatically calculated and equals column 7 less column 8.

The total in SLC 52 9910 09 is carried-forward to SLC 50 3098 01.