



MUNICIPALITY OF West Elgin

Staff Report

Report To: Council Meeting
From: Magda Badura, CAO/Treasurer
Date: 2021-08-19
Subject: Proceeds from the sale of the vacant land

Recommendation:

That West Elgin Council hereby receives the report from M. Badura, CAO/Treasurer re: Proceeds from the sale of the vacant land, and

That West Elgin Council hereby allocate the proceeds in the amount of \$146,611.00 towards the Municipal Office renovations.

Purpose:

The purpose of the report is to seek council's approval to allocate proceeds from the sale of vacant lands towards the Municipal Office renovations project.

Background:

The Municipality of West Elgin sold lands that were declared surplus to municipal needs a lot on Gilbert Street, West Lorne and 131 Main Street, West Lorne via public auction, which closed on July 20 and July 21, resulting in a net profit to the Municipality of \$146,611.00

When Municipal staff started making plans to renovate office building last year, we didn't anticipate that our budget would have to accommodate the skyrocketing price of materials and overall increase in construction cost.

Since the pandemic began in March of last year, the price of lumber has doubled and even tripled in some instances, leaving people building homes frustrated as they try to manage higher than expected costs. Although the actual cost of construction is unknown, the overall construction assessment is expected to be significantly higher.

The financing of the project was anticipated to come from the following sources:

Reserves set aside for Municipal Office Renovations	\$200,000
Keyless access and security control	\$ 20,000
ICIP – Resiliency Grant	\$100,000
The Minister of Employment and Social Development – Enabling Accessibility	\$ 71,709
Current Budget	\$391,709

Proceeds from vacant land sale	<u>\$146,611</u>
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Proposed Budget	\$538,320
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To date, the Architectural and Engineering drawings are complete and the tendering process began on August 3, 2021 with closing date of August 31, 2021.

Tender results will be reviewed and reported to council on September 10, 2021 meeting.

Financial Implications:

Revenue increase of \$146,611; sale of land was not included in 2021 Budget.

Report Approval Details

Document Title:	Vacant land proceeds - 2021-35-Administration Finance.docx
Attachments:	
Final Approval Date:	Aug 17, 2021

This report and all of its attachments were approved and signed as outlined below:

Jana Nethercott