

The Corporation of the City of Kawartha Lakes
Council Report

Report Number CORP2018-012

Date: July 17, 2018
Time: 2:00 p.m.
Place: Council Chambers

Ward Community Identifier: All

Title: 2018 Q2 Capital Close

Author and Title: Nicole Owens, Junior Accountant

Recommendation(s):

That Report CORP2018-012, **2018 Q2 Capital Close**, be received;

That the capital projects identified in Attachment A to Report CORP2018-012 be approved to be closed due to completion;

That the balances in the table below be transferred to or from the corresponding reserves;

Reserve	Report Closing Balance
Capital Projects Reserve	\$644,843.88
Public Works Fleet Reserve	\$14,764.64
Sewer Infrastructure Reserve	\$186,943.50

That \$104.89 be withdrawn from Development Charges – Fire and applied to project 932170801 – Fire, Extrication Equipment to address the deficit;

That an additional \$5,000 from the Capital Reserves be allocated to 950180306 – Bike Repair/Tire Pump Station as per requirements specified within OMCC Grant acceptance as per DEV2018-003, By-law 2018-018;

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

That project 953180112 – LSC Windows be closed and the remaining budget of \$187,583.08 and all associated expenses be transferred to project 953170300 – LSC Windows;

That project 950180113 – Logie Park be closed and all remaining budget and expenses totaling \$1,111,000.00 be transferred to multi-year project 950151801 – Logie Park;

That project 950180112 – Trail & Shoreline Restoration be closed and all remaining budget and expenses totaling \$150,000 be transferred to multi-year project 950153301 – Trail & Shoreline Restoration;

That project 950164000 – City Boat Launches be closed and the remaining budget of \$50,734.69 be transferred to 950180109 – City Boat Launches;

That project 950170300 – City Boat Launches be closed and the deficit of \$37,494.34 be transferred to 950180109 – City Boat Launches;

That project 950170500 – Cemetery Site Works be closed and the remaining balance of \$49,376.26 be transferred to corresponding projects within 950180400 – Cemetery Site Works;

That project 950170601 – 50/50 Community Park Projects be closed and the remaining budget of \$12,229.20 be transferred to 950180110 – 50/50 Community Park Projects;

That project 950170701 – Wilson Estates be closed and the remaining budget of \$100,830.75 be transferred to 950180111 – Wilson Estates;

That project 950170901 – Park Furniture be closed and the remaining budget of \$32,799.27 be transferred to 950180301 – Park Furniture;

That the following projects be granted an extension to December 31, 2018:

- 928170301 - Upgrade/Replace Communication Equipment
- 928170401 - Upgrade/Replace Client Hardware
- 928170601 - Replace Printers
- 928171901 - Purchase Parks & Rec Software
- 932161401 - Fire Station Capital Repairs
- 932170501 - Equipment Replacement
- 938170200 - Paramedic Equipment
- 938170301 - Replace Light Duty Vehicle
- 938170401 - Replacement Ambulance
- 950170100 - Playgrounds - Various Locations
- 950170401 - Old Mill Park Dam Replacement
- 950170800 - Arena & Community Centre Equipment
- 950171000 - Arenas & Community Centres

- 950171101 - Victoria Park Armoury Repair
- 950171501 - Bobcaygeon Library
- 953150801 - City Hall – Roof and Atrium
- 953170200 - Building Services
- 983170100 - Bridges
- 983170600 - Gravel Resurfacing
- 983170700 - Road Lifecycle Extension
- 983171301 - Municipal Drains
- 998151201 - Lindsay WPCP Upgrade
- 998152200 - Glenelg St E Watermain Replacement & Design
- 998170100 - Water & Wastewater – Watermains
- 998170300 - Water & Sanitary
- 998170601 - Fenelon Water Treatment Plant Modifications
- 998170701 - Bobcaygeon Main Breaker
- 994171601 - Ice Machine Replacement
- 994172400 - Transit Hub and Shelters

That the following projects be granted an extension to December 31, 2019:

- 928151500 - ERP System
- 953170501 - Development 68 Lindsay St N
- 998151801 - Ridout St SPS – Pumps & Flow Meter
- 998161701 - Lindsay WPCP Upgrade-Construct
- 998170500 - Water & Wastewater – Upgrades
- 997146001 - Fenelon Landfill - Admin Building
- 997146301 - Laxton Landfill Site
- 997166101 - Pump Chamber Construction

That project 997170200 – Landfill Site Works completion date be extended to December 31, 2020;

Background:

This report is provided to advise Council on each capital project's actual costs versus its approved budget and to close projects that are complete as at June 30, 2018 in accordance with the Capital Close and Administration Policy.

Rationale:

The expectation of a capital close report is to bring completed capital projects to a zero balance by recommending provisions for any shortfalls and disposition of surplus amounts. When projects are closed with a surplus, the surplus is typically transferred to the Capital Projects Reserve. There are some exceptions to this practice. If the project being closed was funded from a source other than the general tax levy then the surplus is returned to that source of funding.

Please see below a list of attachments:

Attachment A - Lists all projects completed and recommended to be closed identifying the amount that will be returned to the reserves listed. There are projects that are closing with a zero balance as the funding has been returned to the original funding source and does not require Council approval to do so.

Attachment B – Lists all projects that will be complete as of December, 2018 or are on target to be completed by their current completion date. The project numbers with two asterisks (**) are multi year projects that will have additional funding over multiple years and will be using the same project number until the project is completed.

Attachment C – Lists the active projects that are seeking Council Resolution to extend the current completion date.

Attachment D - Lists all of the current municipal drain projects. Most of the municipal drain projects are currently showing as negative amounts because the landowner is billed for his/her share and the City applies for funding from the province, once the project is complete.

The projects that are still open total \$119 Million in budget. The spending to date is approximately \$42 Million. There is currently \$77 Million of capital spending still to be incurred and of that total 73% of the projects are on track and have the capacity and resources to be completed on schedule. The remaining 27% of projects have been delayed for various reasons and are requesting extensions.

Other Alternatives Considered:

Council may choose an alternative direction with respect to where the over and under expenditures should be transferred. Staff's recommendations are in accordance with the Capital Close and Administration Policy C 187 FIN 018.

Financial/Operation Impacts:

The status of each project has been reviewed by Directors and appropriate management staff. The below detailed tables show the balances to the affected Reserves and Deferred Revenue, of the projects being closed.

Attachment A: Completed Projects

The table below is a listing of the reserves that require Council approval to transfer funds to and from.

Reserve	Report Closing Balance
Capital Projects Reserve	\$644,843.88
Public Works Fleet Reserve	\$14,764.64
Sewer Infrastructure Reserve	\$186,943.50

Obligatory Funds

Below is a table listing the obligatory funds for which the return of funding does not require Council approval, all deficits require Council approval and are included in the Council resolutions.

Obligatory Reserves and Development Charge Reserve	Report Closing Balance
City Development Charge Reserve	\$436,807.26
Gas Tax Reserve – Transit	\$131,682.69
Gas Tax Reserve – Infrastructure	\$2,032.96
Provincial Grants Receivables	\$14,183.00

Debenture Proceeds

The debenture debt will be decreased by \$988,854.04 due to the closure of various capital projects that already had debenture funding from previous capital budgets.

Debenture Proceeds	Report Closing Balance
983150100 – Bridge Reconstruction, Rehab & Design	\$41,893.58
983160100 – Bridge Reconstruction	\$102,657.28
99815101 – Huron Street Watermain Replacement	\$40,929.92
998170400 – Water & Wastewater Treatment	\$17,000.00
991150300 – Depot/Sand/Salt Building Repairs – East	\$848,250.000

In summary, a total of \$2,481,988.71 is recommended to be closed and returned to the original budget funding sources. There are currently 174 projects and staff recommend closing 37 projects, leaving a remaining 137 projects open.

Relationship of Recommendation(s) To The 2016-2019 Strategic Plan:

This recommendation assists in achieving the Strategic Enabler goal. This Capital Close enables Council and the public to see that the projects that have been approved are being closed within budget and in a timely manner. This illustrates responsible fiscal resource management.

[City of Kawartha Lakes Strategic Plan.](#)

Consultations:

Directors, Managers and Executive Assistants

Attachments:



Attachment A.xlsx



Attachment B.xlsx



Attachment C.xlsx



Attachment D.xlsx

Attachment A: Completed projects.

Attachment B: Projects on target to be closed by current completion date.

Attachment C: Projects requesting an extension.

Attachment D: Municipal Drains.

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