

The Corporation of the City of Kawartha Lakes

Committee of the Whole Report

Report Number CORP2019-024

Date: September 10, 2019

Time: 1:00 p.m.

Place: Council Chambers

Ward Community Identifier: All

Title: 2019 Q2 Capital Close

Author and Title: Nicole Owens, Junior Accountant

Recommendation(s):

That Report CORP2019-024, **2019 Q2 Capital Close**, be received;

That the capital projects identified in Attachment A to Report CORP2018-024 be approved to be closed due to completion;

That the balances in the table below as per Attachment A be transferred to or from the corresponding reserves;

Reserve	Report Closing Balance
Capital Projects Reserve	\$87,480.19
Public Works Fleet Reserve	\$432,429.85
Police Reserves	\$62,304.44
Sewer Infrastructure Reserve	\$2,135.56
Water Infrastructure Reserve	\$25,960.40

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

- 928180100 - IT Systems
- 932170201 - ***Bethany Fire Station Replacement (2017-2018)
- 932180100 - Fire Facilities
- 932180300 - Fire Equipment
- 983150600 - ***Urban/Rural Reconstruction Projects (2015-2017)

Department Head:_____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

- 983180201 - Jennings Creek Culverts
- 983180400 - Urban/Rural Resurfacing
- 983180500 - Rural Resurfacing
- 983180700 - Road Lifecycle Extension
- 983181000 - Streetlights
- 983181100 - Traffic Signals
- 983181200 - Parking Lots
- 998180300 - Water Distribution & WW Collection 2018
- 998180400 - Water Treatment Program 2018
- 998180500 - Wastewater Treatment 2018
- 950180100 - Parkland Siteworks
- 950180200 - Parkland Facilities
- 950180300 - Parks & Rec Equipment
- 950180400 - Cemetery Siteworks
- 950180601 - Dalton Community Centre Elevator
- 953170300 - Building Envelope
- 953180100 - B&P Facilities
- 953180201 - Demo & Removal of 6 Buildings
- 983180600 – Gravel Resurfacing 2018

That the following project be granted an extension to June 30, 2020:

- 998161701 - Lindsay WPCP Upgrade - Construction

That the following projects be granted an extension to December 31, 2020:

- 983180300 - Urban/Rural Reconstruction
- 998151801 - Ridout St SPS - Pumps & Flow Meter
- 950180500 - Arenas & Pools
- 950190100 - Parkland Siteworks

That the following project be granted an extension to June 30, 2021:

- 998110100 - Omemee WPC Plant Upgrades

That this recommendation be brought forward to Council for consideration at the next Regular Council Meeting.

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 of June 30, 2019 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 31, 2019 or are on target to be completed by their current completion date. The project numbers with three 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.

Current Project Summary

	Number of Projects	Total Budget	Spending as of June 30th 2019	Remaining Budget as of June 30th 2019
Closing Projects	21	\$5,374,179	\$4,741,039	\$633,140
On Target Projects	75	\$113,675,773	\$51,780,094	\$61,895,679
Projects Requesting Extension	30	\$47,060,146	\$32,091,708	\$14,968,438
Total	126	\$166,110,098	\$88,612,841	\$77,497,257

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 details surplus funds from closing projects that require Council approval to return to reserves.

Reserve	Report Closing Balance
Capital Projects Reserve	\$87,480.19
Public Works Fleet Reserve	\$432,429.85
Police Reserves	\$62,304.44
Sewer Infrastructure Reserve	\$2,135.56
Water Infrastructure Reserve	\$25,960.40

Obligatory Funds

The table below details a list of surplus funds from closing projects that do not require Council approval to be returned.

Obligatory Reserves and Development Charge Reserve	Report Closing Balance
Gas Tax Reserve – Transit	\$7,600.55
Provincial Grants Receivables	\$2,631.44
Federal Grants Receivables	\$2,631.44
Development Charges	\$2,408.19

Debenture Proceeds

The debenture debt will be decreased by \$7,558.13 due to the closure of various capital projects that already had debenture funding from previous capital budgets.

Debenture Proceeds	Report Closing Balance
998170601 – Fenelon Falls Water Treatment Plant	\$7,558.13

In summary, a total of \$633,140.19 is recommended to be closed and returned to the original budget funding sources. There are currently 126 active projects and staff recommend closing 21 projects, leaving a remaining 105 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.

Consultations:

Directors, Managers and Executive Assistants

Attachments:



Attachment A -
Closing Projects.xlsx



Attachment B - On
Target Projects.xlsx



Attachment C -
Projects Requesting an

Attachment A: Completed projects.

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

Attachment C: Projects requesting an extension.

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Department Head: Jennifer Stover