

The Corporation of the City of Kawartha Lakes

Committee of the Whole Report

Report Number CORP2020-003

Date: **March 10, 2020**
Time: 1:00 p.m.
Place: Council Chambers

Ward Community Identifier: All

Title: **2019 Q4 Capital Close**

Author and Title: Nicole Owens, Junior Accountant

Recommendation(s):

That Report CORP2020-003, **2019 Q4 Capital Close**, be received;

That the capital projects identified in Attachment A to Report CORP2020-003 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	\$1,155,055.61
Police Reserves	\$59,242.53

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

- 928171901 – P&R Software M/Y 2017-19
- 932170201 – Bethany Fire Hall Replacement M/Y 2017-19
- 932172201 - Coboconk Fire Hall Upgrades
- 953180100 – B&P Facilities

Department Head:_____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

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

- 928151500 – ERP System M/Y 2015-19
- 997130801 – Eldon Landfill
- 953170501 – 68 Lindsay St M/Y 2017-19
- 998170300 – Water Distribution & WW Collection
- 983170800 – WWW Road Restoration
- 983160600 – Urban/Rural Reconstruction
- 997166101 – Pump Chamber Construction
- 998160201 – Water Operating Monitoring System
- 998160501 – Pinewood Production Well
- 998160801 – Fenelon Falls Water main Upgrades
- 998161101 – Peel/York Water main Design
- 998161501 – Wastewater Operating Monitoring System
- 983170100 – Bridges
- 983170300 – Urban/Rural Reconstruction
- 998170100 – Water main Replacement
- 932180100 – Fire Facilities
- 932180300 – Fire Equipment
- 950180100 – Parkland Siteworks
- 950180200 – Parkland Facilities
- 983180100 - Bridges
- 983180300 – Urban/Rural Reconstruction
- 983180700 – Road Lifecycle Extension
- 983181100 – Traffic Signal Program
- 983181200 – Parking Lots
- 998180300 – Water Distribution & WW Collection
- 998180400 – Water Treatment Program
- 998180500 – Wastewater Treatment
- 950190300 – Recreation Facilities
- 950190400 – P&R Equipment
- 950190500 – Cemetery Siteworks
- 953190100 – B&P Facilities

That project 950180306 – Bike Repair/Tire Pump Station be reclassified as a multi-year project as funding was secured through the 2020 Special Project Budget;

That project 953180119 – Old Gaole Wall be reclassified as a multi-year project with a closing date of June 30, 2021;

That project 953200501- City Hall Systems M/Y 2020-22 be closed and \$400,000 be transferred to 953180102 – City Hall Systems M/Y 2018-21;

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 December 31, 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 June 30, 2020 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.

Remaining open projects total \$143 Million in budget. The spending to date is approximately \$109 Million. There is currently \$34 Million of capital spending still to be incurred and of that total, 61% of the projects are on track and have the capacity and resources to be completed on schedule. The remaining 39% 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	\$1,155,055.61
Police Reserves	\$59,242.53

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
Development Charges	\$88,492.72

Debenture Proceeds

The debenture debt will be decreased by \$88,557.25 due to the closure of various capital projects that already had debenture funding from previous capital budgets.

Debenture Proceeds	Report Closing Balance
983150600 – Urban Rural Reconstruction	\$88,557.25

In summary, a total of \$1,391,348.11 is recommended to be closed and returned to the original budget funding sources. There are currently 110 projects and staff recommend closing 20 projects, leaving a remaining 90 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:



Attachement 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