



## Council Report

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**Report Number:** CORP 2024-024  
**Meeting Date:** September 24, 2024  
**Title:** 2024 Quarter Two Capital and Special Project Close  
**Description:** Closure of Capital and Special Projects  
**Author and Title:** Carolyn Daynes, Treasurer

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### Recommendation(s):

**That** Report CORP2024-024, 2024 Quarter Two Capital and Special Project Close, be received;

**That** the capital and special projects identified in Appendix A to Report CORP 2024-024 be approved for closure;

That Capital project 983240103 Colborne St Bridge preparations utilize financing of \$900,000 from the Property Development Reserve and reduce \$900,000 from previously approved Debenture financing;

**That** a 2024 special project entitled "Facility Condition Assessments" be created and financed as follows:

\$200,000 from Building and Property 2024 Operating Budget and applicable funding

\$30,000 from Corporate Assets 2024 Operating Budget and applicable funding

**That** 2024 Projects for Victoria Manor be created as per the following table to address the Provincial increased grant announcement:

Project	Budget Funded by One-Time Provincial Grant
Main Entrance Exterior Doors	\$36,000.00
Loading Dock Overhead Doors	10,000.00

**Department Head:** \_\_\_\_\_

**Financial/Legal/HR/Other:** \_\_\_\_\_

**Chief Administrative Officer:** \_\_\_\_\_

Laundry Chute	10,000.00
Interior Walls, Wall Guards and Countertops	50,000.00
Resident Furniture	21,000.00
Dining Room Tables and Chairs	26,000.00
Baseboard Heaters	42,000.00
Ceiling Lifts	60,000.00
Lighting	26,000.00
<b>Total Project Budget Funded by Grant</b>	<b>\$281,000.00</b>

**That** a Special Projects Reserve be created to provide a financing source for Special Projects, and to address Special Project surpluses and deficits;

**That** \$500,000 from the Capital Contingency Reserve – uncommitted (1.32248) be transferred to the Special Projects Reserve;

**That** the balances below and provided in Appendix A be transferred to (from) the corresponding reserve to address all project closures listed;

<b>Reserve</b>	<b>Report Closing Balance</b>
Capital Contingency Reserve-Uncommitted	\$1,221,642.18
Capital Contingency Reserve – Haul Route	126,957.03
Special Projects Reserve	57,155.50
General Contingency Reserve	46,255.86
KLPS Area Rate Stabilization Reserve	20,979.17
Fleet Reserve	(26,752.30)
Water Infrastructure Reserve	(63,215.83)
Sewer Infrastructure Reserve	(240,229.34)
Property Development Reserve	(73.77)
<b>Total Reserve Transfers</b>	<b>\$1,142,718.50</b>

**That** the projects recommended for closure below, and provided in Appendix A, be approved for (additional)/reduced debenture financing;

<b>Capital Program Number</b>	<b>Capital Program Description</b>	<b>Debenture Financing Reduction</b>
983220401	CKL Rd10- Rd17-Rd14	\$31,110.98
983230401	CKL Road 17-Civic Address #14	(4,167.54)
983230402	CKL Road 12-Highway 35 to Glamorgan Rd	57,179.85
983230403	Corbett Drive-Coulter Dr to Coulter Dr	18,276.90
983230404	Propp Drive-Corbett Dr to Hooper Dr	9,897.73
983230405	Hooper Drive-John St to Coulter Dr	11,016.51
998200103	Bobcaygeon WTP HL Pump	(39,240.42)

998200105	Lindsay WTP Containment Tanks	12,519.69
998200204	Omeme LSSDS Lagoon Fencing	25,108.86
998210102	Lindsay WTP Chemical Tanks	198,476.14
998210107	Bobcaygeon WTP HiLift Pumps	2,351.59
998210303	Fenelon Falls Colborne St. Mains	237,366.81
	<b>Total Reduction in Debenture Needed</b>	<b>\$559,897.10</b>

**Background:**

This report is to provide Council with the closed capital and special projects completed as of June 30, 2024, in accordance with the Capital and Special Project Policy.

**Rationale:**

The goal of a capital and special project close report is to bring completed capital projects to a zero balance by providing recommendations to finance deficits and to dispose of a surplus amount. Projects closed with a surplus typically transfer to the Capital Contingency Reserve. There are exceptions to this practice. A project being closed that was financed from a source other than the general tax levy, are returned to the original source of financing.

Special projects are one-time operating projects that require greater than one year to complete. Special projects are treated in the same manner as capital projects in that the project balance will be brought to a zero balance by providing recommendations for surplus and deficits. Special projects closed with a surplus will be transferred to the General Contingency Reserve and if the projects are in a deficit, it will be financed from the same reserve. The same exceptions apply to this practice, as in capital project closures above, in that those sources of funding other than tax levy, are returned to the original source of funding.

Please see the list of attachments:

Appendix A – Completed projects at June 30, 2024

Appendix B – Projects Remaining after June 30, 2024

Remaining open projects (Summation of Appendix B):

Total Budget to Date	\$247.5 Million
Total Spending to Date	\$172.5 Million
Total Capital Spending Remaining	\$74.9 Million

**983240103 Colborne St Bridge**

The Colborne Street Bridge was financed in the 2024 Budget by Development Charge Reserve and Debenture. The Property Development Reserve has been increasing over time and currently has a balance of \$2,708,941.27. It is prudent to fund this project from the reserve. The following recommendation has been included in this report:

**That** Capital project 983240103 Colborne St Bridge preparations utilize financing of \$900,000 from the Property Development Reserve and reduce \$900,000 from previously approved Debenture financing;

**Facility Condition Assessments**

It was discovered through the development of the Asset Management Plan that a few departments had various monies set aside for Building Condition Assessment Work. As this is a key element of the Asset Management Plan Staff felt it prudent to combine the money set aside for Building Condition Assessment in one Special Project. This would result in a coordinated approach to the management of this type of work, and it typically requires greater than one year to complete. The following recommendation has been included in the report:

**That** a 2024 special project entitled "Facility Condition Assessments" be created and financed as follows:

\$200,000 from Building and Property 2024 Operating Budget and applicable funding

\$30,000 from Corporate Assets 2024 Operating Budget and applicable funding

**Victoria Manor One-Time Grant**

A One-time Grant has been received from the Province that will allow Victoria Manor to advance capital projects that were originally slated for the 2025 year. The list included in the resolutions are those projects that are fully funded by the grant and can be initiated in 2024, in addition to the 2024 Approved capital budget. The projects are as follows:

<b>New 2024 Projects to be created</b>	<b>Budget Funded by One-Time Grant</b>
Main Entrance Exterior Doors	\$36,000.00
Loading Dock Overhead Doors	10,000.00
Laundry Chute	10,000.00
Interior Walls, Wall Guards and Countertops	50,000.00
Resident Furniture	21,000.00
Dining Room Tables and Chairs	26,000.00
Baseboard Heaters	42,000.00
Ceiling Lifts	60,000.00
Lighting	26,000.00
<b>Total Project Budget Funded by Grant in 2024</b>	<b>\$281,000.00</b>

Staff request approval to assign project numbers to these projects to allow the work to commence.

### **Special Projects Reserve**

Special Projects have been included in the Operating budget for a few years now. Special projects are those projects that do not meet the capital criteria and require greater than one year to complete. The Capital and Special Projects Policy (CORP 2023-018) requires that surpluses in Special Projects be transferred to the Contingency Reserve – committed to Special Projects and all deficits are funded by this reserve. The motion recommended in this report creates a more transparent reserve called the Special Projects Reserve but follows the same requirements inherent in the original Policy. The following recommendation has been included in this report:

**That** a Special Projects Reserve be created to support Special Project funding where future Special Project surpluses will be transferred into the reserve and Special Projects deficits will be funded by the reserve.

### **Special Project Reserve Top Up**

The 2025 special projects budget has utilized \$700,000 that was in the Contingency Reserve-committed to Special Projects.

There are some larger 2025 Special projects requiring financing, for example:

- Solid Waste EA – Requires commitment of \$2,000,000 annually for 5 years until 2029
- Stormwater Master Plan – Requires \$500,000 in next 2 years until 2026
- Thurstonia Drainage Study – Requires \$500,000 in 2025

The transfer from the 2025 Tax Levy to the Special Projects Reserve has increased approximately \$2M to accommodate the needed projects. In preparation for this increased level of Special Project financing in the future, Staff recommend that \$500,000 be allocated from the Capital Contingency Reserve. The uncommitted portion of the Capital Contingency Reserve has \$2.5Million and this report is contributing an additional \$1.2Million for a total balance of \$3.7M. Therefore, this reserve has sufficient funds to finance projects over budget as a contingency.

### **Other Alternatives Considered:**

Council may choose an alternative direction with respect to the surplus/deficit disposition being recommended. Staff's recommendations are in accordance with the Capital and Special Project Policy CORP2023-018.

## Financial/Operating Impacts:

The status of each program has been reviewed by Directors and appropriate management staff. The table below illustrates the results of the project closures to/from the various Reserves and Deferred Revenue accounts.

### Appendix A: Completed Projects

The table below lists the reserves that require Council approval to transfer funds.

<b>Reserve</b>	<b>Report Closing Balance</b>
Capital Contingency Reserve-Uncommitted	\$ 1,221,642.18
Capital Contingency Reserve – Haul Route	126,957.03
Special Projects Reserve	57,155.50
General Contingency Reserve	46,255.86
KLPS Area Rate Stabilization Reserve	20,979.17
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Water Infrastructure Reserve	(63,215.83)
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<b>Total Reserve Transfers</b>	<b>\$1,142,718.50</b>

### Obligatory Funds

The table below represents the return of obligatory funds that do not require Council approval. Only deficits require Council approval to withdraw from the obligatory fund and are included in the Council resolutions.

<b>Obligatory Reserves</b>	<b>Report Closing Balance</b>
Parkland Reserve Fund	\$ 35,472.47
Infrastructure Gas Tax Reserve	721,808.20
Development Charge Reserve	26,623.55
<b>Total Reserve Transfers</b>	<b>\$783,904.22</b>

### Debenture Proceeds

The net impact of debenture financing adjustments provided in Appendix A, will decrease by \$559,897.10 for projects closing. The resolution above details the projects affected by changes required in debenture financing to close the project.

In summary, a total of \$2,486,519.82 is recommended for closure and returned to the original budget funding sources. There are 128 projects closing and 818 remaining open.

**Consultations:**

Directors, Managers and Executive Assistants

Budget and Financial Planning

**Attachments:**

Appendix A – Completed Projects



Adobe Acrobat  
Document

Appendix B – In Progress Projects



APPENDIX B -  
Projects Remaining a

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