

Background

Governments at all levels own, lease or control an array of assets in order to deliver services to citizens. The amounts and timing of capital investments are among the most important decisions a governing body will make. A policy for informing decisions about capital spending decisions increase the assurance they reflect transparent, consistent steps that reflect community priorities, financial plans and reliable performance data.

As investments are being made, information about the progress of capital projects is also desirable so that adjustments or changes to planned activities can be made in a timely fashion.

Analysis

The Capital Budget Policy aligns capital budgeting practices with the principles described in the Asset Management Strategy and the long-term perspective anticipated by the Long Term Financial Plan. The Policy provides City Council with more control over capital project selection and increases transparency and accountability for results.

The policy enhances information about project spending and the attached report is a result of the approval of the policy.

The summary of all completed and cancelled Capital projects was presented at the Finance and Administration Committee Meeting on September 15th, 2020. The Completed Capital Projects Report for December 2020 will be included with other year-end reports and to be presented in May 2021. The Holding Account Reserves activity report was also presented at the Finance and Administration Committee Meeting on September 15th, 2020.

Summary as of June 30, 2020

The chart on the next page provides a summary of all capital projects by department for amount spent to date, project budget, remaining budget (excluding PO's), and estimated surplus/deficit. With the upcoming year end, there will be adjustments to establish proper budgets for accounts within programs or any other adjustments needed.

The projected surplus amount presented is based on the best information as of the time of this report. The ultimate realization of the surplus may differ. Any surpluses may be available to return to reserves to offset deficits in other capital projects or to fund new capital projects in future budgets.

Department	Project Actuals	Project Budget	Remaining Budget Excluding PO's	Expected Surplus/Deficit
CAO & Communications	3,860,648	103,265,898	99,405,250	74,101
Communications	7,194	66,300	59,106	-
Event Center	2,479,248	100,454,834	97,975,586	
Library	727,700	2,074,764	1,347,064	74,101
The Junction	646,506	670,000	23,494	
Community Development	13,885,164	35,381,311	21,496,147	1,265,236
CD Facilities	1,004,186	5,519,040	4,514,855	412,641
Cemetery	233,782	729,039	495,258	19,653
Housing Services	40,075	61,750	21,675	21,675
Leisure Services	4,969,052	13,452,671	8,483,619	566,887
Pioneer Manor	414,026	705,800	291,773	1,800
Transit Services	7,224,044	14,913,011	7,688,967	242,580
Community Safety	2,960,342	10,061,216	7,100,874	146,222
Emergency Plan and Strategy Services	3,365	380,000	376,635	-
Fire Services	1,188,738	6,720,965	5,532,227	(17,515)
Paramedic Services	1,768,240	2,960,251	1,192,012	163,738
Corporate Services	24,947,543	46,802,041	21,854,498	1,108,880
199 Larch	458,652	1,586,242	1,127,590	62,446
Administration	447,328	971,423	524,095	(1,455)
Assets	2,730,291	3,733,583	1,003,292	165,358
Energy Initiatives	-	6,689,871	6,689,871	
Fleet Services	3,314,635	5,683,653	2,369,018	228,130
Information Technology	2,841,710	9,030,147	6,188,436	200,917
Parking	446,312	616,076	169,763	(10,961)
Tom Davies Square	14,708,613	18,491,045	3,782,432	464,444
Growth & Infrastructure	202,392,701	403,454,118	201,061,416	435,244
Bridges	21,021,569	53,456,218	32,434,648	350,000
Drains	13,982,274	33,646,722	19,664,448	22,651
Environmental Services	4,706,666	8,216,439	3,509,773	111,362
Planning	765,365	1,681,631	916,265	42,633
Roads	161,916,827	306,453,109	144,536,282	(91,402)
Wastewater	43,208,890	107,134,460	63,925,570	476,149
Wastewater Linear	16,291,063	40,438,301	24,147,238	500,978
Wastewater Plants	26,917,827	66,696,158	39,778,331	(24,829)
Water	30,509,205	110,151,081	79,641,876	557,762
Water General	1,237,769	21,561,894	20,324,125	-
Water Linear	19,928,673	57,874,845	37,946,172	537,182
Water Plants	9,214,308	29,785,815	20,571,507	
Water Works	128,455	928,527	800,073	20,580
Grand Total	321,764,493	816,250,125	494,485,632	4,063,595

Please note the report shows total budget, total remaining budget and projected/surplus deficit based on all funding sources including grants, contributions and debt financing.

The following provides a high level view of key projects by department.

The CAO's Office - \$99.4 million in remaining budget with the majority of this belonging to the Event Centre for \$97.9 million

Community Development - \$21.4 million in remaining budget including larger projects:

- Dowling Leisure Centre Roof - \$1.2 million
- Howard Armstrong Recreation Centre - \$1.8 million
- Replacement Buses - \$6.5 million
- Work continues on facilities totaling \$4.5 million

Community Safety has \$7.1 million in remaining budget with a focus on:

- Ladder Truck - \$1.5 million
- Fire Engine - \$2.6 million

Corporate Service has \$21.8 million in remaining budget including:

- Building related projects - \$4.9 million including \$2.1 million for electrical services gear at Tom Davies Square
- Information Technology \$6.2 million to support ongoing initiatives including the CRM System for \$1.7 million and LMIS Phase 1 for \$1.5 million

Growth and Infrastructure has \$201 million in remaining budget including:

- Major bridge rehabilitation initiatives - \$32.4 million
- Road network investments - \$144.5 million – over 100 projects including \$25.4 million for MR 35, \$8.5 million for the completion of the Maley Drive project, \$8.8 million for Lorne Street/MR55, \$4.0 million in cycling infrastructure, and \$5.7 million for Silver Hills Phase 2

Water/Wastewater has \$143.5 million of remaining budget including:

- Linear work totals \$62 million
- Lift station projects of \$11.8 million
- Wastewater treatment plant work of \$39.7 million
- Water treatment plants totaling \$20.5 million

Project Details

This report includes the following:

1. Capital Projects Status Update (Appendix A) which detail all outstanding capital projects and a brief comment on status (when completion is anticipated, expected final surplus/deficit, etc).
2. Large Capital Projects Status Update (Appendix B) for larger projects (over \$3.0 million for Roads, Water and Wastewater and over \$1.0 million for all other Departments), a complete commentary is presented that details project highlights, accomplishments, expected timeline to completion, funding sources, etc. The format used follows the presentation for capital projects in the Budget Document.

The budget amount shown on this report will be used in all future reports to Council to determine surplus or deficit. The project budget amounts may change for reallocations within programs, transfers from the respective Holding Account reserve or respective reserve fund or any other Council or external funding approvals.

Conclusion

This report summarizes the status of capital projects as of June 30, 2020 and provides the increased transparency and accountability per the Capital Budget Policy.