



REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Amy Prueter
Acting Budget and Financial Reporting Supervisor

DATE: May 5, 2021

REPORT NO.: CORPSERV-2021-0010

RE: Capital Budget Status as at December 31, 2020

RECOMMENDATION:

THAT Report No. CORPSERV-2021-0010 dated May 5, 2021 regarding Capital Budget Status as at December 31, 2020 be received;

AND FURTHER THAT staff be authorized to fund capital project shortfalls totalling \$409,625.10 from the named reserves as outlined in Table 1 of Report CORPSERV-2021-0010;

AND FURTHER THAT staff be authorized to return \$1,966,056.86 of unspent capital funds to the reserves outlined in Table 2 of Report CORPSERV-2021-0010;

AND FURTHER THAT staff be authorized to close the capital projects identified in Table 3 and transfer \$160,811.06 of unused funding to the Local Action Plan Update project and Climate Change Adaptation Strategy Implementation project as outlined in Table 3 of Report CORPSERV-2021-0010.

BACKGROUND:

The purpose of this report is to provide Council with an update from each project manager for all capital projects categorized as "open" as of December 31, 2020. In addition, this report recommends the closure of select capital projects and changes to project funding.

COMMENTS:

The Town has a comprehensive Capital Budget Governance Policy (CORP-2019-0001) for the management of capital projects. The policy establishes financial controls that maintain public accountability and transparency while allowing flexibility to alter projects as circumstances change.

Appendix A provides a detailed 'life to date' report on open capital projects showing total funding and total expenditures as of December 31, 2020 as well as comments from the project manager.

Due to the COVID-19 pandemic, work on a number of capital projects was deferred to 2021 in order to help reduce spending and manage cashflows. These projects have been fully funded and are ready to proceed in 2021 as noted in the comments presented in Appendix A. Staff will continue to monitor the evolving situation with COVID-19 and will make adjustments to the capital workplan during 2021 as required.

Other projects were completed during 2020 and have been identified as complete in Appendix A. These projects will be listed in the 2020 Completed Capital Projects report and reported to Council after the year end review is complete. There are 105 capital projects that have been identified as complete and ready to be closed at the end of 2020.

The following table lists capital projects that were classified as completed, with budget overruns as of December 31, 2020. The recommended funding source for each project is in accordance with the General Reserves and Reserve Fund Policy (PLCY-2018-0004), and staff have verified with the Manager of Financial Planning and Budgets that the balances in each are sufficient to support the request:

Table 1

Project Code	Project Name	Total Funding	Total Expenditure	Unfunded Balance	Recommended Funding Source
2100-10-1702	Service Halton Hills	(435,474.85)	461,928.47	26,453.62	Capital Replacement Reserve
2300-10-1902	Operationalize PM Practices	-	12,211.20	12,211.20	Technology Replacement Res
2300-10-1903	Network Assessment	(20,000.00)	22,387.20	2,387.20	Technology Replacement Res
5200-06-1701	Drone & Camera System	(63,816.47)	63,998.01	181.54	Fire Services Reserve
5410-07-1901	Portable Radio Replacement	(161,190.85)	166,770.37	5,579.52	Capital Replacement Reserve
5500-02-0101	Fire Facilities R&R	(90,000.00)	91,021.17	1,021.17	Fire Services Reserve
5900-25-1901	Repl Tanker 740(T2) w/ Pumper	(756,310.84)	756,310.85	0.01	Equipment Reserve
6100-05-1801	TES Vehicle Collision Softwar	(40,000.00)	41,813.48	1,813.48	Technology Replacement Res
6100-10-1003	Guelph/Eramosa Quarry	(147,016.00)	243,604.14	87,807.40	Tax Rate Stabilization
				8,780.74	Capital Replacement Reserve
6100-21-1801	Longfield Subddv Strtight Repl	(375,000.00)	379,141.20	4,141.20	Transportation Infrastructure Res
6100-22-1606	OMB Reserve	(100,000.00)	101,354.27	1,354.27	Capital Replacement Reserve
6100-28-1806	Railway Safety Assem (GEXR)	(35,000.00)	35,616.00	616.00	Capital Replacement Reserve
6200-16-1409	5 SdRd Asphalt Upgrade	(1,073,949.64)	1,114,678.88	38,297.64	Capital Replacement Reserve
				2,431.60	Transportation Infrastructure Res
6200-16-1606	Main St N. Resurfacing (Acton)	(750,000.00)	764,194.54	14,194.54	Capital Replacement Reserve
6200-26-1407	Bridge Rehab Eng (Hwy 7)	(43,352.00)	48,055.70	4,703.70	Capital Replacement Reserve
6500-16-1802	Danby & Barber Roundabout Cons	(1,517.09)	3,051.53	1,534.44	Capital Replacement Reserve
6500-28-0002	Traffic Signal Interconnect	(209,570.82)	209,856.86	286.04	Capital Replacement Reserve
6500-28-1003	Signal Upgrade (LED)	(90,000.00)	94,257.84	4,257.84	Gas Tax
6500-28-1501	Interconnect Mountainview Sgnl	(120,000.00)	120,742.46	742.46	Capital Replacement Reserve
7300-22-1604	Climate Chg Adaptation Strtgy	(250,000.00)	263,826.06	13,826.06	Capital Replacement Reserve
7300-22-1804	Sustainable NBhood Action Plan	(30,000.00)	30,338.93	338.93	Strategic Planning Reserve
8003-10-1801	Asset Inv & Condition Asmt	-	67,008.74	67,008.74	Strategic Planning Reserve
8190-10-0101	Buy Lease Partnership (All Ph)	(1,073,350.00)	1,074,977.12	19.69	Capital Replacement Reserve
				1,607.43	New Capital Reserve
8200-25-1601	Ice Resurfacer Laser Levels	(30,000.00)	34,070.40	4,070.40	Equipment Reserve
8211-02-1504	Acton Arena Skate Tile Replcem	(95,000.00)	95,642.19	598.25	Gas Tax
				43.94	Capital Replacement Reserve
8220-22-1601	Cedarvale CC Feasability Study	(50,000.00)	55,154.98	5,154.98	Capital Replacement Reserve
8261-02-1702	GCC Generator	(346,810.62)	367,190.88	20,380.26	Capital Replacement Reserve
8261-06-1801	GCC Chem Controller	(30,000.00)	30,753.29	753.29	Capital Replacement Reserve
8400-02-0003	Civic Centre Interior Painting	(10,000.00)	69,010.69	59,010.69	Capital Replacement Reserve
8500-02-1904	IS Storage Closet Cages	(20,000.00)	20,614.14	614.14	Technology Replacement Res
8500-11-0106	Park Pavilion Repairs	(111,794.00)	112,703.27	909.27	Capital Replacement Reserve
8500-11-0112	HHVHI 13 Neighbourhood Park	(363,215.47)	363,235.47	19.14	Recreation & Parks DC
				0.86	New Capital Reserve
8500-11-1911	Pedestrian Bridge Replacement	(116,000.00)	128,143.54	6,595.20	Gas Tax
				5,548.34	New Capital Reserve
8611-10-1901	Community Event 2019	(110,449.03)	114,778.91	4,329.88	Tax Rate Stabilization
Total		(7,148,817.68)	7,558,442.78	409,625.10	

Table 2 lists capital projects that were completed within their authorized budget as of December 31, 2020 and as such have an unspent balance remaining. Staff is recommending that this funding be returned to the original funding source in accordance with the General Reserves and Reserve Fund Policy:

Table 2

Project Code	Project Name	Total Funding	Total Expenditure	Remaining Balance	Return to Funding Source
2300-04-0102	Server/Server Rm Improvments	(108,514.13)	99,441.97	(9,072.16)	Technology Replacement Res
2300-05-2004	Construction Inspect Software	(20,500.00)	16,414.26	(4,085.74)	Technology Replacement Res
3200-11-2001	Marquee Acton Branch	(96,704.85)	80,000.00	(16,704.85)	Library Capital Reserve
4001-15-1701	Public Art Master Plan	(44,770.69)	44,770.00	(0.69)	Public Art Reserve
5200-07-2003	Respirator Fit Testing Equip	(20,000.00)	17,719.46	(2,280.54)	Capital Replacement Reserve
5900-25-1703	Replace Support Unit 706 (106)	(84,009.07)	60,000.00	(24,009.07)	Fire Services Reserve
5900-25-1805	Replace Fire Prevention Trailr	(32,000.00)	16,000.00	(16,000.00)	Fire Services Reserve
5900-25-2001	Replace Suport Unit 709 (109)	(50,000.00)	44,668.57	(5,331.43)	Equipment Reserve
5900-25-2002	Replace Support Unit 710 (310)	(40,000.00)	37,460.91	(2,539.09)	Equipment Reserve
5900-25-2003	Training Division Passngr Van	(60,000.00)	51,709.35	(8,290.65)	Equipment Reserve
5900-25-2103	Replace Unit 712	(60,000.00)	48,189.53	(11,810.47)	Equipment Reserve
5900-25-2104	Replace Unit 711	(60,000.00)	50,517.53	(9,482.47)	Equipment Reserve
6100-05-1601	Mobile Technology	(11,372.74)	10,000.00	(1,372.74)	Capital Replacement Reserve
6100-21-1704	Princess Anne Pole Repl	(376,054.62)	299,164.01	(76,890.61)	Capital Replacement Reserve
6100-22-1803	Acton Bypass Feasability Study	(100,000.00)	-	(50,000.00)	Capital Replacement Reserve (50,000.00) Roads & Related DC
6100-28-1701	Mandated Rail Crossing Upgrade	(196,399.88)	100,000.00	(96,399.88)	Capital Replacement Reserve
6100-28-1805	Enhanced Ped (Ladder Crossing)	(90,881.32)	90,000.00	(881.32)	Capital Replacement Reserve
6200-08-0001	Eighth Line-5 to 10 SdRd Prop.	(162,445.50)	48,511.35	(879.00)	Capital Replacement Reserve (113,055.15) Roads & Related DC
6200-10-1703	Hornby Rd Drainage (w/Region)	(360,000.00)	287,921.36	(72,078.64)	Stormwater Management DC
6200-16-0007	Sixth Line Steeles Avenue S.	(526,489.64)	284,272.02	(242,217.62)	Roads & Related DC
6200-16-1007	Sixth Line Steeles Ave S Const	(372,050.00)	31,050.00	(17,050.00)	Capital Replacement Reserve (323,950.00) Roads & Related DC
6200-16-1008	Inters Imp SteelesAve-Various	(277,382.16)	127,382.16	(120,382.16)	Capital Replacement Reserve (29,617.84) Roads & Related DC
6200-16-1411	10th Line - 5 to 10 SdRd Eng	(110,000.00)	13,945.85	(96,054.15)	Roads & Related DC
6200-16-1806	Nassagaweya/Esq Construction	(281,327.96)	270,359.54	(10,327.96)	Capital Replacement Reserve (640.46) Roads & Related DC
6200-17-0010	Steeles Ave. Sidewalk 401 Corr	(386,682.00)	386,083.31	(598.69)	Roads & Related DC
6200-22-0107	Bridge Rehab Study Update	(268,787.98)	225,000.00	(43,787.98)	Capital Replacement Reserve
6200-22-0110	Asph Strat Preventative Maint	(447,644.36)	406,593.81	(41,050.55)	Capital Replacement Reserve
6200-22-1603	Stormwater Mgmt Strategy	(162,043.27)	119,400.00	(42,643.27)	Capital Replacement Reserve
6200-26-1602	10th Line Lot 25 Bridge Rehab	(990,000.00)	923,657.59	(66,342.41)	Gas Tax
6200-27-1010	Brdg Struct&Apprch Eng/Constr	(310,119.40)	254,893.37	(55,226.03)	Capital Replacement Reserve
6500-16-0101	Surface Treatment	(1,036,952.17)	1,027,650.66	(9,301.51)	Gas Tax
6500-16-1801	At Grade Railway Xing Maint	(60,000.00)	30,000.00	(30,000.00)	Capital Replacement Reserve
6800-22-1801	Fleet Management Strategy	(50,178.31)	50,000.00	(178.31)	Capital Replacement Reserve
8100-22-1701	R&P Strategic Action Plan	(198,978.31)	180,944.92	(13,978.31)	Capital Replacement Reserve (4,055.08) General Government DC
8200-14-1801	Digital Marquee Inserts ACC&GC	(103,023.42)	95,000.00	(8,023.42)	Capital Replacement Reserve
8211-12-1601	Acton Arena Repaving	(167,616.43)	160,000.00	(7,616.43)	Capital Replacement Reserve
8220-02-1601	Cedervale Park Watermain	(207,873.73)	107,000.00	(100,873.73)	Capital Replacement Reserve
8261-06-2001	GCC Dry-o-Tron Condenser Repl	(50,000.00)	38,072.55	(11,927.45)	Capital Replacement Reserve
8400-02-0001	Civic Centre Renovations	(676,701.09)	658,456.66	(18,244.43)	Capital Replacement Reserve
8400-02-1402	Civic Centre Carpet Replace	(14,000.00)	-	(14,000.00)	Capital Replacement Reserve
8500-24-2101	Trails Syst Ph5 Maple Crk Pkt	(275,348.56)	188,543.99	(4,948.56)	New Capital Reserve (81,856.01) Recreation & Parks DC
Total		(8,946,851.59)	6,980,794.73	(1,966,056.86)	

Additionally, staff recommends that several projects be combined due to similar scope. It has been determined that the following list of projects can be closed and the remaining funding be transferred to the project identified on the right side of the table for more effective and efficient project management.

Table 3

Project to Close		Remaining Balance	Combined with Project	
Project Code	Project Name		Project Code	Project Name
7100-22-1903	CEC & DM Plan Update	(6,127.33)	7100-22-1904	Local Action Plan Update (Mayor's Community Energy Plan)
7300-22-1601	Energy Cnsv Comm Eng Strtgy	(15,000.00)	7100-22-1904	Local Action Plan Update (Mayor's Community Energy Plan)
7300-22-1702	Greenhouse Gas Model Update	(2,432.64)	7100-22-1904	Local Action Plan Update (Mayor's Community Energy Plan)
7300-22-1402	Corp Sustainability Implement	(11,470.99)	7300-10-1902	Climate Change Adaptation Strategy Implementation
7300-22-1602	Corp Sust A&A Plan Impl	(125,780.10)	7300-10-1902	Climate Change Adaptation Strategy Implementation
Total		(160,811.06)		

RELATIONSHIP TO STRATEGIC PLAN:

The capital budget is used to support and advance Council's Strategic Priorities.

FINANCIAL IMPACT:

The net positive impact of the recommendations in this report is \$1,556,431.76 as shown in the table below:

	Net Funding From/(To) Reserves
Reserves	(478,134.63)
Gas Tax	(64,192.63)
Development Charges	(1,014,104.50)
Total	(1,556,431.76)

This table is reflective of the net 2020 result where a total of \$1,966,056.86 is being returned to the original funding source from projects with favourable variances to budget. This is partially offset by the projects that resulted in unfavourable variances to budget, which require additional funding of \$409,625.10.

CONSULTATION:

All project managers were consulted on the status and progress of open projects.

PUBLIC ENGAGEMENT:

No public engagement required in reference to this report.

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life.

The recommendation outlined in this report advances the Strategy's implementation. This report supports all pillars of Sustainability and in summary the alignment of this report with the Community Sustainability Strategy is excellent.

COMMUNICATIONS:

There is no communications impact in reference to this report.

CONCLUSION:

Appendix A provides an informational update on the life-to-date spending on open capital projects as at December 31, 2020. In addition, staff is recommending the financing of those capital projects that were over budget, the return of funding for capital projects completed with favourable variances to budget and the consolidation of similar capital projects to support more effective and efficient project management.

Reviewed and Approved by,



Jinsun Kim, Manager of Financial Planning



Moya Jane Leighton, Director of Finance & Town Treasurer



Laura Lancaster, Acting Commissioner of Corporate Services



Chris Mills, Acting Chief Administrative Officer