



REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Amy Prueter
Acting Budgets & Financial Reporting Supervisor

DATE: June 17, 2020

REPORT NO.: CORPSERV-2020-0025

RE: Completed Capital Projects

RECOMMENDATION:

THAT Report No. CORPSERV-2020-0025 dated June 17, 2020 regarding Completed Capital Projects be received as information.

BACKGROUND:

The purpose of this report is to provide information to Council on the projects that were completed in 2019. In addition, this report identifies any residual project funds that were returned to reserves, or additional financing that was required for the completion of projects.

Schedule 1 provides a summary by department of completed capital projects as of December 31, 2019. Schedule 2 shows project information by department. Each schedule lists the reserves or development charges that financed the project or to which residual funds were returned. Schedule 3 notes the project funding authorized by the Treasurer through the Capital Budget Governance Policy and project funding approved by Council.

All completed capital projects are managed in accordance with Town policies. The Town has a comprehensive Capital Budget Governance Policy for the management of capital projects that was approved through report CORPSERV-2019-0008. The policy establishes financial controls that maintain public accountability and transparency while allowing flexibility to alter projects as circumstances change. In accordance with the Capital Budget Governance Policy, the Town Treasurer may authorize gross expenditures where costs for a capital project exceed the original funding approval of the lessor of 10% or \$25,000. Projects requiring funding in excess of \$25,000 require Council approval.

COMMENTS:

Through effective monitoring and adherence to purchasing policies, often times capital projects can finish with a positive variance to budget. These funds are then returned to the various reserves and reserve funds from which they originated. A total of \$413,083 related to favourable capital project variances was achieved in 2019. Of this total, \$385,052 was returned to reserves and \$28,031 was reallocated to the Mobile Data System capital project (refer to Schedule 3), as outlined in the table below:

	Funding Returned to Reserves	Additional Funding from Reserves	Net Funding Returned To Reserves	Transfer Funding to Other Capital Projects
Capital Replacement Reserve	(47,271)	187,009	139,738	-
Technology Replacement Reserve	(63,489)	176	(63,313)	-
Fire Services Reserve	(333,441)	219,811	(113,630)	(28,031)
Transportation Infrastructure	(29,092)	-	(29,092)	-
New Capital Reserve	-	35,922	35,922	-
Development Charges	(501,012)	146,336	(354,676)	-
Total	(974,305)	589,253	(385,052)	(28,031)

RELATIONSHIP TO STRATEGIC PLAN:

This report supports the strategic objectives:

- Establish sustainable financing, asset management and master plans to acquire, operate, maintain, renew and replace infrastructure.
- Continue to provide timely and transparent communications with the Town's residents and business owners.

FINANCIAL IMPACT:

This report is for information purposes. Positive capital project variances totaled \$413,083 of which \$385,052 was returned to reserves in 2019. This was the result of recommendations previously approved during the year and through the application of the Capital Budget Governance Policy.

CONSULTATION:

All departments were consulted on the closing of capital projects.

PUBLIC ENGAGEMENT:

No public engagement was 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 is not applicable to the Strategy's implementation.

COMMUNICATIONS:

There is no communications impact.

CONCLUSION:

The report on 2019 completed capital projects is for information purposes. As a result of careful project management, a number of capital projects finished with a positive variance facilitating the return of \$385,052 to reserves and the ability to use a further \$28,031 to fund capital projects. The Town's approach to directing positive variances to reserves contributes to a strong financial position and is consistent with the long-range financial planning objectives.

Reviewed and Approved by,



Moya Jane Leighton, Town Treasurer and Director of Accounting



Chris Mills, Commissioner of Corporate Services



Brent Marshall, Chief Administrative Officer