



## Report

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**Subject:** 2023 Third Quarter Capital Progress Report

**Department:** Corporate Services

**Division:** Finance

**Report #:** CPS-2023-085

**Meeting Date:** 2023-11-27

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### Recommendations

That report CPS-2023-085 regarding the 2023 Third Quarter Capital Progress be received.

### Background and Analysis

The purpose of this report is to provide Council with a summary of the status of capital projects as of September 30, 2023 and to provide variances that have been identified for each project to the end of the third quarter. This report provides a snapshot in time that compares actual expenditures to date with the approved budget per project. As many capital projects span more than one year, all outstanding projects have been organized into three categories: Completed, In Progress or To Be Initiated.

The Tables within the Attachment to this report, list outstanding capital projects in chronological order by the year the project was approved. In addition, comments in the Authorization column have been provided by the project managers.

### Analysis

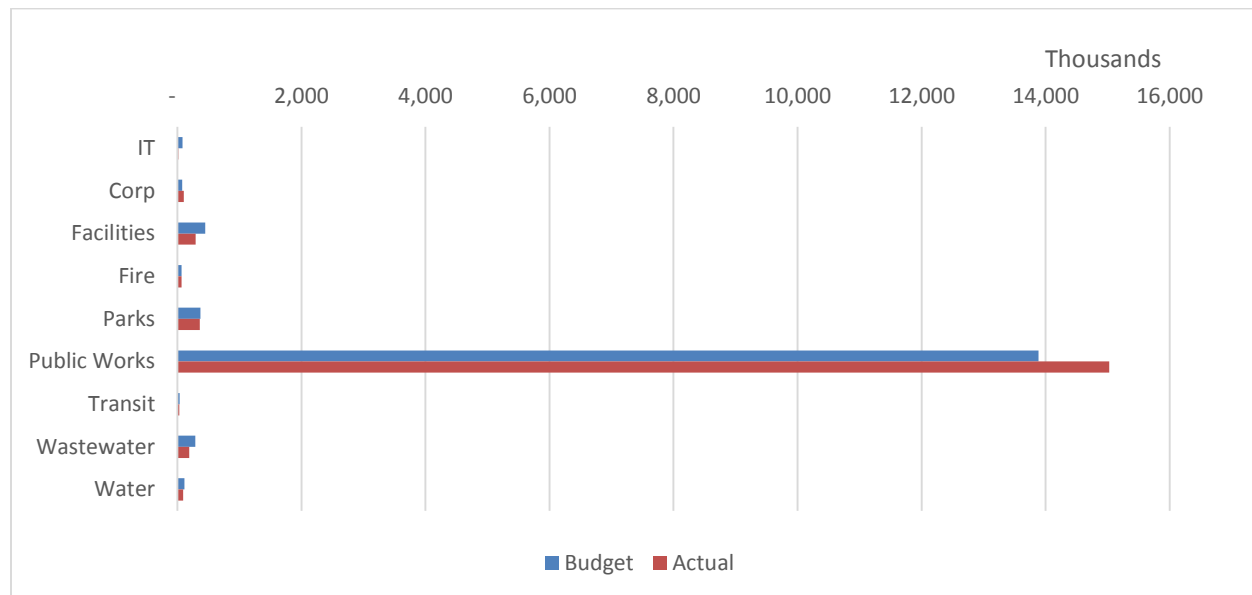
As of the third quarter of 2023, 14% of all approved outstanding capital projects were completed, 80% are in progress and 6% are yet to be initiated.

### Table 1: Capital Projects Completed as of September 30, 2023

Table 1 provides the actual capital spending by project, for those projects that were completed during the third quarter, compared to the approved budget. Overall, the financial performance of these projects was unfavourable with projects being completed over budget by 5% or \$823,342. This unfavourable variance is driven largely by the Public Works division which is over budget by \$1.14M. Funds to offset the overage are

being requested through the 2024 budget. This unfavourable variance is offset mostly by underspending in the IT, Facilities and Wastewater divisions totalling \$316K.

Figure 1 below shows the aggregate variance by Division for the completed projects in the third quarter of 2023.

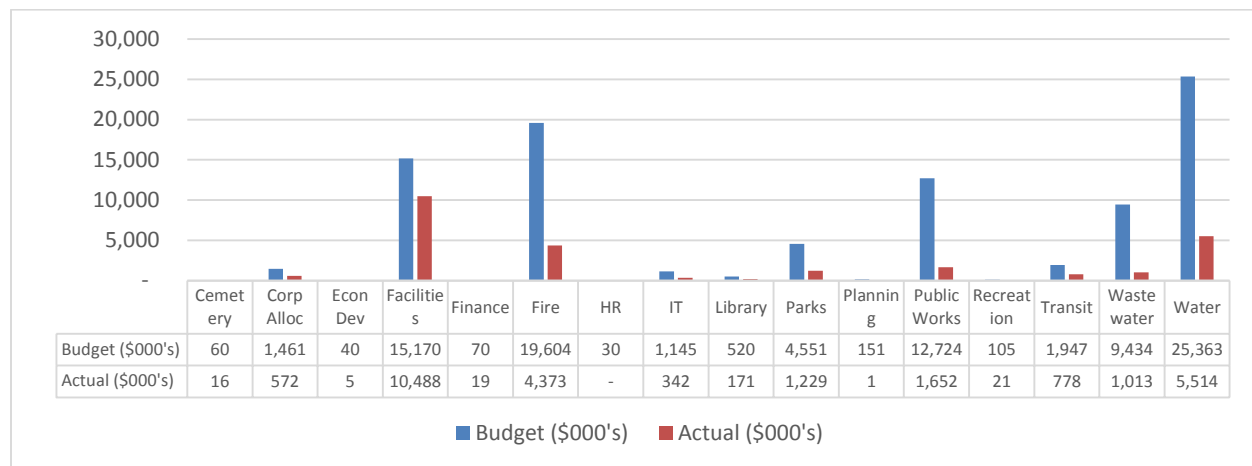


**Figure 1: Aggregate Variance by Division of Completed Projects at September 30, 2023**

**Table 2: Capital Projects in Progress as of September 30, 2023**

Table 2 compares actual expenditures to budget for on-going projects as of the third quarter 2023. As at September 30, 2023, approximately 28% of the approved budget for on-going projects has been utilized. There are four (4) divisions driving this, Facilities (utilized 69% of division budget, and 40% of total town budget), Fire (22% division and 17% Town), Public Works (13% division and 6% Town), and Water (22% division and 21% Town). This is offset by lower spending in remaining divisions, which are all less than 16% of the total town budget.

Figure 2 below shows the year-to-date budget utilized, by division for on going projects as of September 30, 2023.

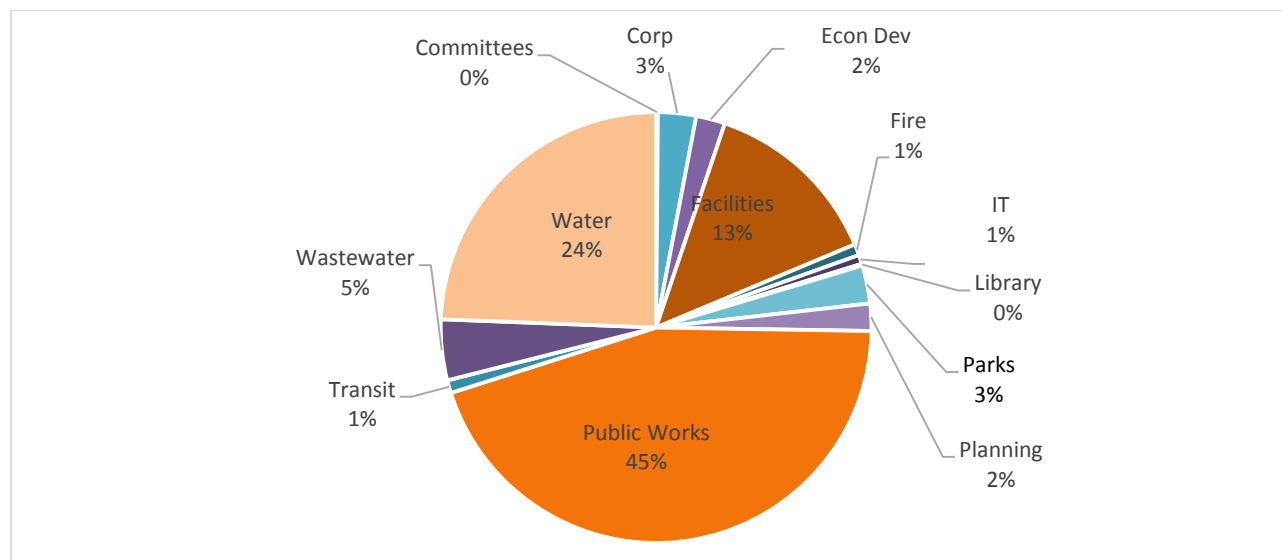


**Figure 2: Budget Utilized by Division for Projects in Progress at September 30, 2023**

**Table 3: Capital Projects To Be Initiated as of September 30, 2023**

Table 3 shows the capital projects that are to be initiated as of September 30, 2023. In total, there were \$7.3 million dollars of capital projects approved but not yet started as of the third quarter of 2023. Of these projects, approximately 43% are new projects from the 2023 approved capital budget.

Figure 3 below shows the amount to be initiated by Division.



**Figure 3: Projects to be initiated as of September 30, 2023 by Division**

The third quarter progress report is subject to timing issues given the geo-political crisis, supply chain issues and increasing inflationary impacts. The progress of capital projects may be affected by factors such as, but not limited to the impacts of inflation, supply chain and weather conditions.

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## **Strategic Alignment**

### **Strategic Plan**

Strategic Goal: Future-Readiness

Objective: SUSTAINABILITY – Secure the financial viability of the municipality

### **Sustainable Neighbourhood Action Plan**

Theme: Corporate and Fiscal

Strategy: Encourage and support inter-departmental collaboration and communication to facilitate the adoption of sustainable practices in the municipality

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## **Notice Provisions**

None

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## **Financial Impact**

Projects over budget are being addressed in the 2024 Budget, subject to deliberation at the December 4<sup>th</sup> and 5<sup>th</sup> 2023 Council meetings. Projects not completed will continue to spend approved funding until completion of the project.

Respectfully submitted

Patrick Kelly, CPA, CMA  
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**Attachment(s):** 1. Capital Progress