



Subject: 2024 Third Quarter Capital Progress Report

Department: Corporate Services

Division: Finance

Report #: CPS-2024-094

Meeting Date: 2024-12-16

Recommendations

That report CPS-2024-094 regarding the 2024 Third Quarter Capital Progress be received.

Overview

The purpose of this report is to provide Council with a summary of the status of capital projects as of September 30, 2024 and to report on variances that have been identified for each project to the end of the third quarter.

Background

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 the current outstanding capital projects. In addition, comments in the last column have been provided by the project managers.

Analysis/Current Situation

As of the third quarter of 2024, 22% of all approved capital projects were completed, 74% are in progress and 4% have yet to be initiated. In comparison, by the third quarter of 2023, 14% of approved capital projects were completed, 80% were in progress and 6% had yet to be initiated.

Table 1: Capital Projects Completed as of September 30, 2024

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 favourable with projects being completed under budget by 13% or \$921,830. This favourable variance is driven largely by the Water division underspend of \$424K and the Facilities division underspend of \$255K. Other favourable variances are in the Public Works division which is under budget by \$60K, the Transit division which is under budget by \$69K and Library budget which is under budget by \$60K.

Figure 1 below shows the aggregate variance by Division for the completed projects in the third quarter of 2024.

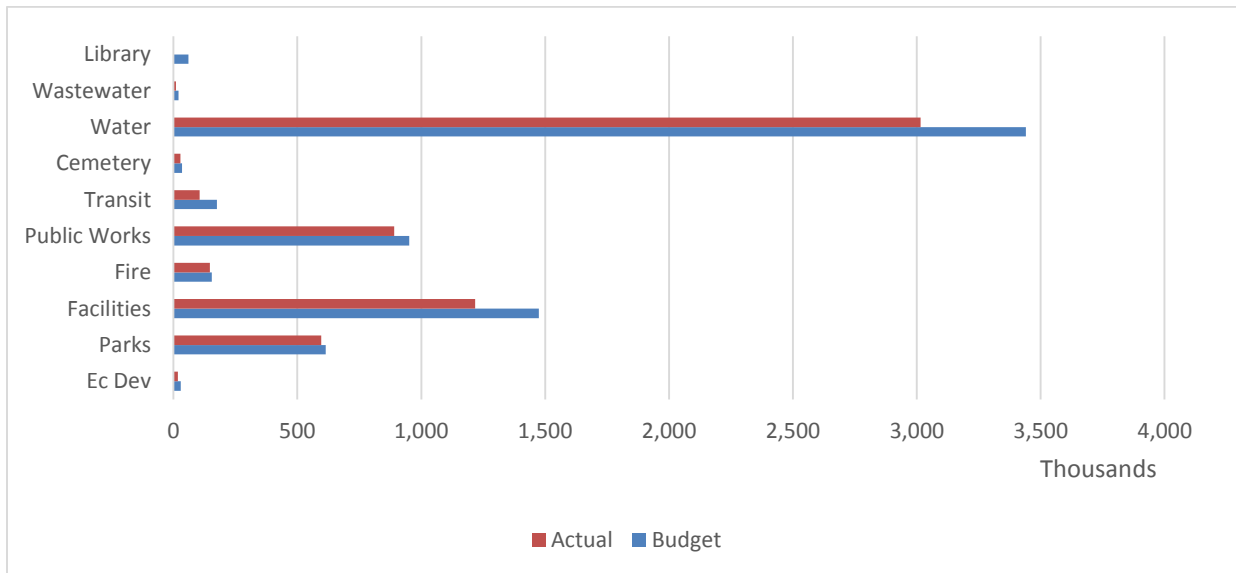


Figure 1: Aggregate Variance by Division of Completed Projects as of September 30, 2024

Table 2: Capital Projects in Progress as of September 30, 2024

Table 2 compares actual expenditures to budget for on-going projects as of the third quarter 2024. As at September 30, 2024, approximately 31% of the approved budget for on-going projects has been utilized. There are five (5) divisions driving this, Facilities (utilized 72% of division budget, and 3% of total town budget), Fire (25% division and 5% Town), Public Works (34% division and 8% Town), Water (22% division and 6% Town), and Wastewater (46% division and 5% of Town). Lower spending in remaining divisions, which account for approximately 3% utilization of the total Town budget.

It is worth noting that, while some divisions appear to be significantly under their budget allocation, much of this allocation has already been committed. For example, the Water Meter and Billing Upgrade project has \$4.63M remaining, but \$4.29M of this has been committed through contracts for construction and consulting. Due to our current

reporting systems, it is difficult to determine how much of the total Town budget has been committed, and as a result, staff cannot provide the committed amount for each project.

Figure 2 below shows the year-to-date budget utilized, by division for on going projects as of September 30, 2024.

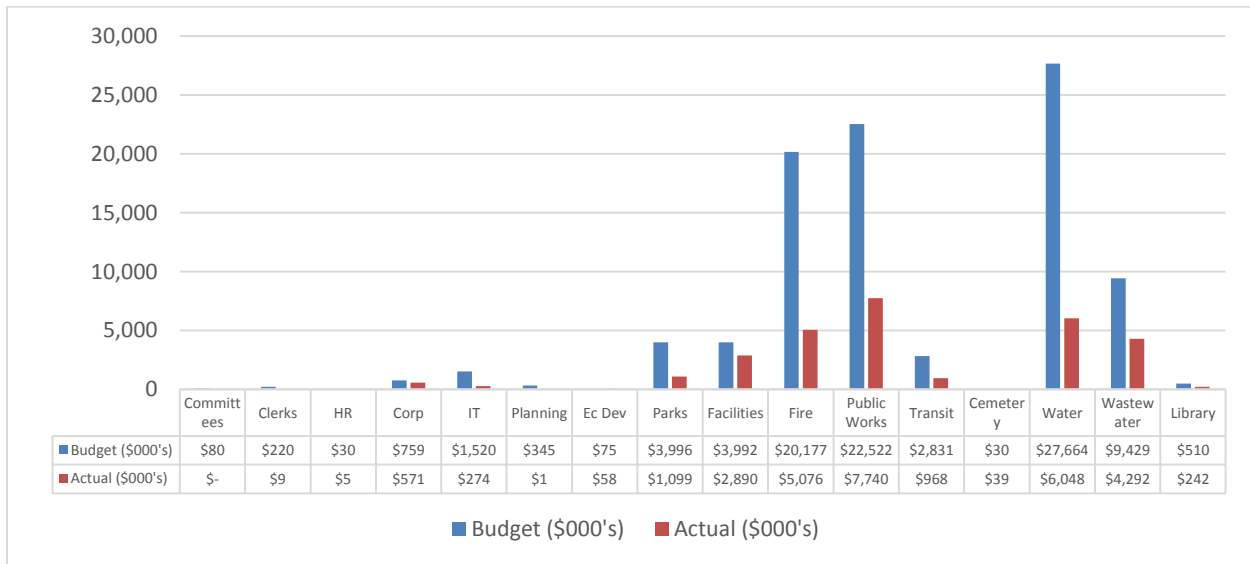


Figure 2: Budget Utilized by Division for Projects in Progress as of September 30, 2024

Table 3: Capital Projects To Be Initiated as of September 30, 2024

Table 3 shows the capital projects that are to be initiated as of September 30, 2024. In total, there were \$5.26 million dollars of capital projects approved but not yet started as of the third quarter of 2024.

The attachment to this report outlines the plan for each to be initiated project. Many of these projects are on hold or deferred until related projects are completed.

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

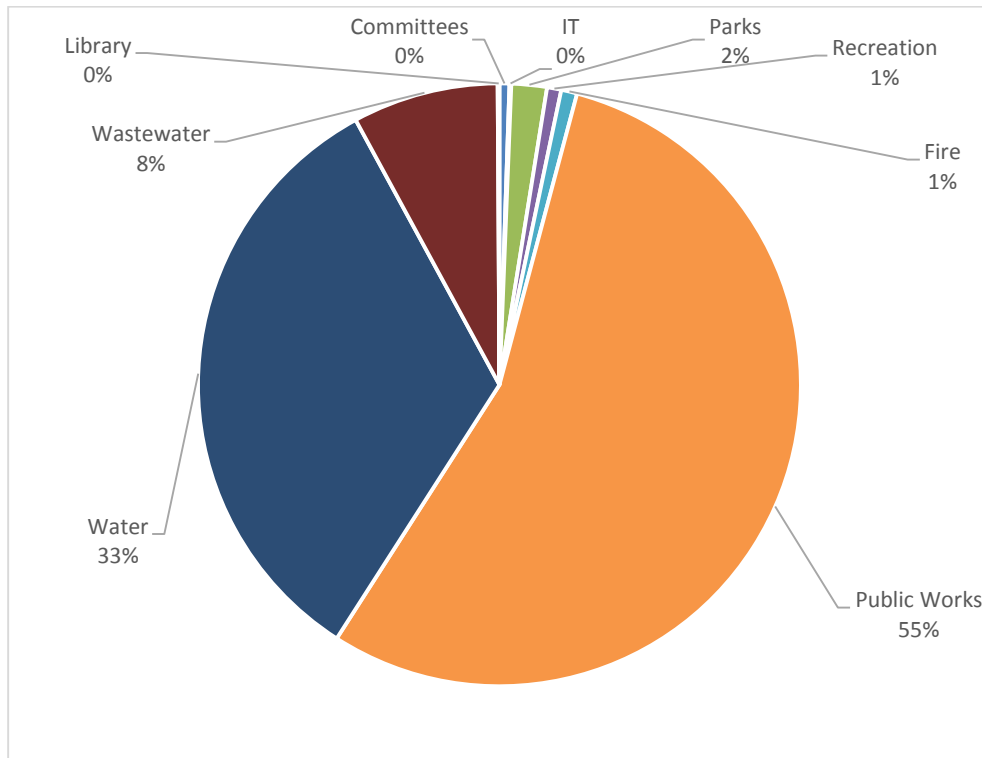


Figure 3: Projects to be initiated as of September 30, 2024 by Division

The third quarter progress report is subject to timing issues and 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.

Corporate Implications

Projects not completed by the end of the year will be carried forward into the 2025 Capital Budget, and will continue to utilize approved funding until completion of the project. Projects that require additional funding in order to be completed will be addressed through a report to Council or a budget request through the 2025 Capital Budget.

Conclusion

It is recommended that Council receive this report. Staff will continue to report back to Council on 2025 Capital Progress throughout the year.

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

Notice Provisions

None

Respectfully submitted

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Attachment(s): 1. Capital Progress