



Report

Subject: 2021 Second Quarter Capital Progress

Department: Corporate Services

Division: Finance

Report #: CPS-2021-060

Meeting Date: 2021-08-09

Recommendations

That report CPS-2021- regarding the 2021 Second Quarter Capital Progress be received.

Background

The purpose of this report is to provide Council with a summary of the status of capital projects as of June 30, 2021 and to provide variances that have been identified for each project to the end of the second 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 in the Attachment to follow, 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 second quarter of 2021, 1% of all approved outstanding capital projects were completed, 93% are in progress and 6% are yet to be initiated.

Table 1: Capital Projects Completed as of June 30, 2021

Table 1 provides the actual capital spending by project, for those projects that were completed during the second quarter, compared to the approved budget. Overall, the financial performance of these projects was favourable with projects being completed under budget by 13% or \$47,244. This favourable variance is driven by 2 projects in the Facilities division, 2 projects in the Parks division and 1 project in the Wastewater division, offset with an overspend in 1 project in the IT division.

Figure 1 below shows the aggregate variance by Division for the completed projects in the second quarter of 2021.

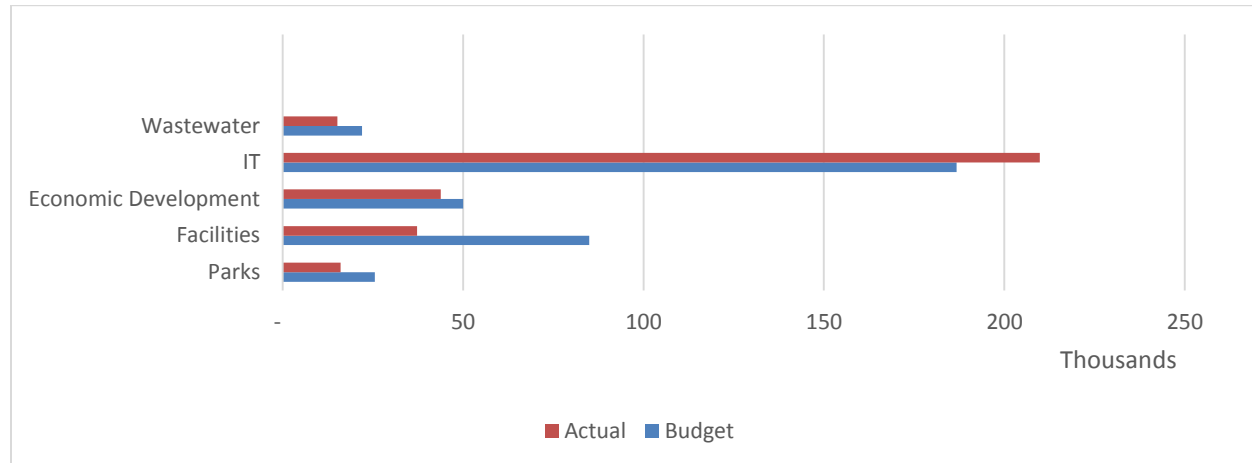


Figure 1: Aggregate Variance by Division of Completed Projects at June 30, 2021

Table 2: Capital Projects in Progress as of June 30, 2021

Table 2 compares actual expenditures to budget for on-going projects as of the second quarter 2021. As at June 30, 2021 approximately 25% of the approved budget for on-going projects has been utilized. There are three divisions driving this, IT (utilized 50% of budget), Library (47%) and Wastewater (53%). This is offset by lower spending in corporate allocations (5%), economic development (1%) and Transit (1%).

Figure 2 below shows the year-to-date budget utilized, by division for on going projects as of June 30, 2021.

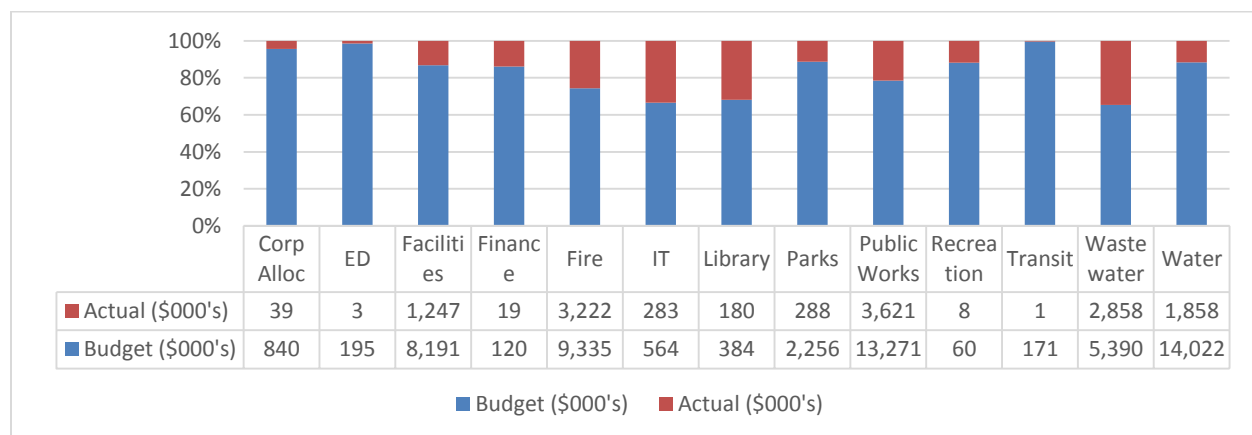
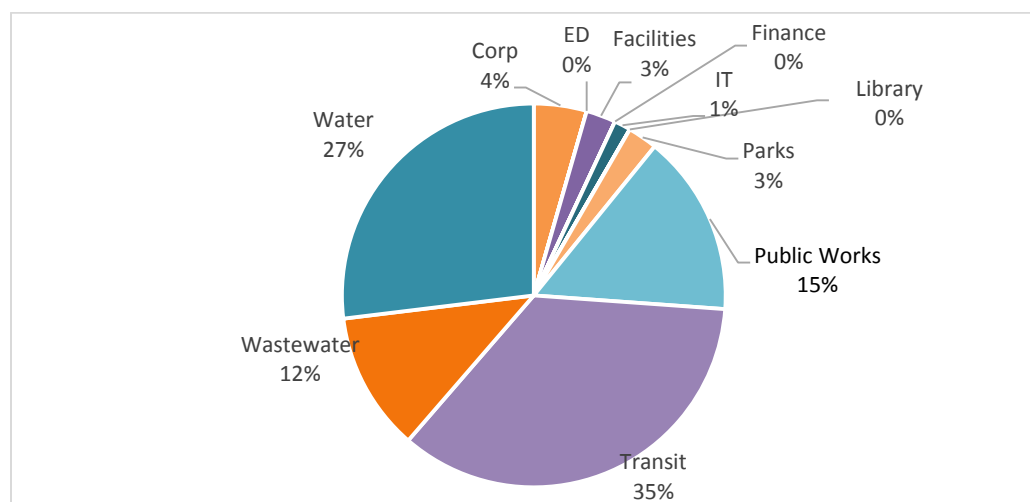


Figure 2: Budget Utilized by Division for Projects in Progress at June 30, 2021

Table 3: Capital Projects To Be Initiated as of June 30, 2021

Table 3 shows the capital projects to be initiated as of June 30, 2021. In total, there were \$3.6 million dollars of capital projects approved but not yet started as of the second quarter of 2021. Of these projects, approximately 53% are from the 2021 approved capital budget. At the end of the first quarter there were \$13.7 million dollars of projects not yet started. The two largest projects that moved from this status to in progress during the second quarter are the water meter and billing upgrade project with an approved budget of \$4.4 million and the digester number 2 refurbishment project with an approved budget of \$1.5 million.

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

**Figure 3: Projects to be initiated as of June 30, 2021 by Division**

The second quarter progress report is subject to timing issues given the unprecedented current pandemic. The progress of capital projects may be affected by factors such as, but not limited to the impacts of COVID-19 and weather conditions.

Strategic Alignment

Orangeville Forward – Strategic Plan

Priority Area: Strong Governance

Objective: This report supports the Town's objective of financial responsibility

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

Not applicable

Financial Impact

There is no immediate impact as a result of the second quarter capital progress report.

Respectfully submitted

Nandini Syed, MPA, CMM III, CPA, CMA
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Attachment(s): 1. Capital Progress