

Staff Report

Presented By: Tony Houad, Treasurer/CFO

Meeting Date: April 14, 2025

Subject: 2024 Closed Carry-Forward Capital Projects

Attachment(s): Reserve Impact Report
Carry-Forward Summary
Closed Report Summary
Carry-Forward Detail by Project
Closed Detail by Project

Recommendation

That Council receive the 2024 Closed Carry-Forward Capital Projects report for information.

Report Summary

Total project capital spending in 2024 was \$39,099,347 of which \$10,778,412 is attributed to the Future Capital Reserve, and the balance is attributable to other reserves as shown in the Reserve Contribution Report attachment. The \$39,099,347 of spending compares to a budget of \$82,610,938 resulting in a variance of \$43,511,591. This variance is comprised of carry-forward budget of \$43,839,535 to enable the completion of projects that are staying open, and a small overage to budget of \$327,944 (1.7%) on projects that are closing.

Background/Analysis

There are five financial reports attached, and the purpose of each report is summarized below.

Reserve Report: Summarizes the impact on each Reserve and Reserves Fund from the 2024 capital spend.

Carry-Forward Summary: Summarizes the prior year and current year's budget and actual spending by the department for all projects that are being carried forward into 2025.

Close Summary: Summarizes the prior year and current year's budget and actual spending by department for all projects that are being closed in 2024.

Carry-Forward Detail by Project: Lists all 2024 capital projects, which includes projects that had been carried forward from 2023 and projects added in the 2024 budget which will be carry-forward into 2025.

Closed Detail by Project: Lists all 2024 capital projects, which includes projects that had been carried forward from 2023 and projects added in the 2024 budget which will be closed in 2024.

The small expense overage of \$327,944 (1.7%) against the \$19 million closed projects budget is more than explained in the 810-8600 Innovation Park project. This project had an overage of \$729,424 based on actual expenses of \$4,773,820 versus a budget of \$4,044,396. Innovation Park servicing exceeded original engineer's estimates in part due to an increase in the cost of the pump station due to a need for higher capacity with increased size combined with the addition of a generator which was not originally part of the design. While this was higher than the estimate, it is a superior long-term solution and was supported by OCWA. Additional costs included: improved water quality for the stormwater pond outfall and a clay liner that was not in the original design; hydro servicing costs that were not included in the original estimate; and transportation of topsoil from the site to Lamont Sports Park.

The \$41,969,698 of budget to carried forward for the completion of projects highlights the amount of project work yet to be completed. Tracking and reducing the number of unplanned carry forward projects is a KPI for both the Community Services and Operations Departments which is reported out annually to Council. There are factors that contribute towards projects being carried forward which include but are not limited to delays or availability of supplies, contractor availability, increased pricing, weather, staff resources and project planning priorities. Making this work visible is valuable for future year Business Plan planning, prioritization of projects and accountability. Since beginning to track the KPI completion of backlog of capital projects in 2023, Community Services and Operations have improved the completion rate by 14% combined.

Linkages

- Strategic Plan Alignment: Pillar 1: Meeting the Needs of a Growing Community
- Business Plan Alignment: Corporate Services Business as Usual

Financial Impacts/Source of Funding

The closed projects resulted in a small overage to budget of \$327,944 (1.7%). Projects that are remaining open require \$43,839,535 of budget to be carried forward to complete the projects.

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Approved By: Kara Van Myall, Chief Administrative Officer