



Corporation of the Township of Brock

Staff Report to the Mayor and Members of Council

From: Trena DeBruijn and Michele Kerswill
Position: Director of Finance/Treasurer and Deputy Treasurer
Title / Subject: Capital Projects Status Report – December 2024
Date of Report: February 20, 2025
Date of Meeting: March 10, 2025
Report No: 2025-FI-012

1.0 Issue / Origin

The purpose of this report is to provide Council a status of capital projects and to request approval of reserve fund transfers for projects that require additional funding. The report also summarizes capital projects approved in previous years that will carry forward into 2025.

2.0 Background

Capital projects are an integral part of the Township's operations to ensure assets are in a good state of repair by performing capital repairs, rehabilitation, replacements, and preventive maintenance. Projects are usually approved by Council as part of the annual budget process and occasionally staff may request projects during the middle of the year.

Due to the long-term nature of capital projects, expenditures may have been incurred over more than one year. This may be due to the construction season, delivery timelines / product availability, complexity of the project, and resource availability.

Department Heads undertook a comprehensive review of all open capital projects along with a preliminary review of December financial results (pending year-end adjustments). The report summarizes the capital program over three sections:

1. Capital Projects Completed or Closed – Appendix A
2. Ongoing projects – Appendix B
3. Review of Committed Projects Reserve – Appendix C

3.0 Analysis

At the end of 2024, the available capital budget carried forward to 2025 is \$12.9 million (pending any year end adjustments). This represents the workplan that can be spent next year, prior to any new 2025 Capital Budget requests are approved. The balance is a result of the following activities:

Description	Amount
2024 Approved Capital Projects	\$ 5,567,301
2023 and Prior Projects	5,445,836
Sunderland Arena Expansion	9,200,000
Total Capital Program	\$ 20,213,137
Expenditures incurred in 2023 or prior	2,777,207
Available Capital Budget Carried forward to 2024	\$ 17,435,929
Expenditures incurred in 2024	3,752,280
Net surplus budget returned to source	765,516
Available Capital Budget Carried Forward to 2025	\$ 12,918,134

From the \$20.2 million of the Capital Program, approximately \$2.8 million was spent in 2023 or prior, leaving \$17.4 million of available budget to spent in 2024. From this amount, approximately \$3.8 million, or approximately 22% was completed in 2024. After returning \$765,516 surplus budgets to the original funding source, \$12.9 million of the capital workplan will be carried forward into 2024.

a) Capital Projects Completed or Closed – Appendix A

During 2024, 40 projects were completed or closed (Appendix A), with \$765,516 (pending any year end adjustments) of surplus funds available to be returned to the original budget source and to assist with funding future projects.

From the 40 projects, 5 projects were over budget for a total of \$36,381. This requires Council approval to transfer funds from the following reserve funds:

Description	Amount	Reserve Fund
Culvert #344 – Con 7 Thorah west of Hwy 12	5,836	Capital R/F - Roads
Boundary Agreement with Uxbridge Twp	4,000	OCIF
Truck Replacement - Pumper Spartan FC-94	16,004	\$10k - Fire Marque Grant + \$6,004 - Capital R/F – Fire
Playground Equipment Replacement (Parks)	772	Capital R/F - Parks
Play Structure Replacements	9,769	Capital R/F - Parks
Total	\$36,381	

Culvert #344 was a project from 2020 which was finished in 2024. Total spent on this project was \$565,127 and was \$32,328 over budget. This report identifies overspending of \$5,836 as

this was the spending in 2024 and the remaining overspending of \$26,492 was addressed in the 2023 year-end capital project report.

b) Ongoing Capital Projects Carried Forward to 2024 – Appendix B

Appendix B lists 46 projects that are still active and ongoing, representing approximately \$12.9 million of capital workplan into the future. As of year-end 2024, none of the projects identified in Appendix B are overbudget, and the approved budget funds have been committed and set aside as part of the fund balances.

c) Committed Projects Reserve – Appendix C

Prior to 2022, a portion of the capital budget was funded through the annual tax levy. At year-end the budgeted and unspent funds were transferred to the Committed Projects Reserve. The funds are then used in a future budget year.

The remaining funds committed are \$72,637 for year-end 2024.

4.0 Related Policies / Procedures

Budget approval process, Reserve and Reserve Fund, Procurement By-Law, and expenditure control policies.

5.0 Financial / Budget Assessment

All transfers to and from Reserves and Reserve Funds must be approved by Council. Budgets may be exceeded due to unforeseen circumstances, market conditions, scope definition or supply chain issues.

6.0 Climate Change Impacts

n/a

7.0 Communications

n/a

8.0 Conclusion

There is a large volume of previously approved capital projects that remain to completed in 2025 and beyond. Prior to approving additional capital budget requests for 2026, resource availability must be considered and whether the ongoing projects can be completed within a reasonable time frame.

9.0 Recommendation

THAT the report titled “Capital Projects Status Report – December 2024” be received; and,

THAT the projects as identified in Appendix A be approved for closure and any surplus funds be transferred to the original funding source; and

THAT \$36,381 be transferred from Reserve Funds to the projects identified under section 3 a) of this report:

That Staff be authorized and directed to do all things necessary to give effect to this resolution.