

SUBJECT: 2025 Capital Variance and Project Closure

TO: Committee of the Whole

FROM: Finance
N/A

Report Number: FIN-19-25

Wards Affected: All

Date to Committee: July 7, 2025

Date to Council: July 15, 2025

Recommendation:

Receive for information finance department report FIN-19-25 regarding the 2025 capital variance and project closure.

Executive Summary

This report outlines the financial status of the City's capital program and identifies 63 capital projects ready for closure as of May 31, 2025.

Purpose of report:

As part of the ongoing capital project management, staff review the status of all open projects to ensure that as projects are completed and an asset goes into service, they are closed. The reporting of capital variances is in accordance with Delegated Authority By-law 71-2023, as amended.

Key findings:

The City has 591 open capital projects. Of these, staff have identified 63 projects with a net positive variance totaling \$1.8 million that are ready to be closed.

Information Report

Background

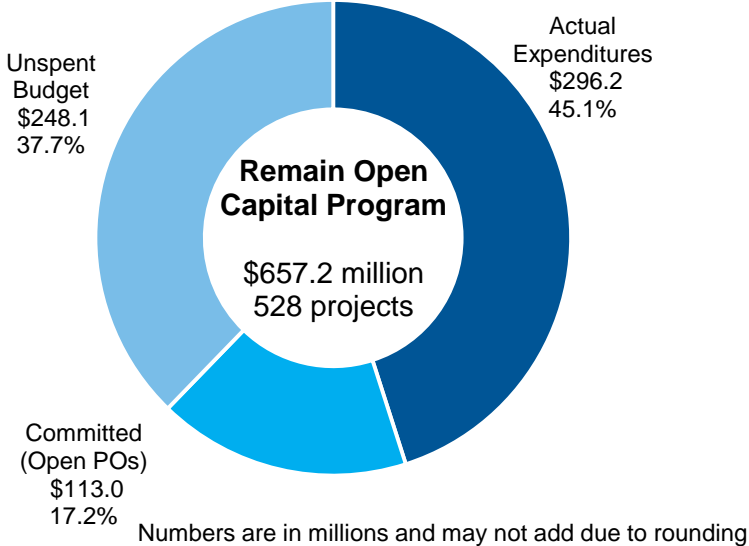
Unlike expenditures reflected in the operating budget, capital projects do not close on an annual basis. The capital projects are closed following the completion of all work and when all costs and financing have been finalized. The time between identifying the need for a capital project to its final completion can span a number of years for a major project. This report outlines the financial status of the City’s capital program as of May 31, 2025.

Capital Project Analysis

The City has 591 open capital projects with a total approved budget of \$723.5 million. Of these open capital projects, staff have identified 63 capital projects with a total approved budget of \$66.3 million, or 9.2% of the total program, to be closed.

	Total	Open	Closed
Number of Projects	591	528	63
Percentage of Total Capital Program		89.3%	10.7%
Budget (in millions)	\$ 723.5	\$ 657.2	\$ 66.3
Percentage of Total Capital Program		90.8%	9.2%

The following chart provides the status of the \$657.2 million budget of the 528 projects to remain open. Of the \$657.2 million budget, \$409.2 million or 62.3% has either been spent or committed through purchase orders (POs). Therefore, the unspent budget in the projects to remain open is \$248.1 million or 37.7%, reflecting the multi-year nature of the capital projects.



Variance Analysis

There are 60 (95.2%) of the 63 capital projects ready for closure with favourable variances totaling approximately \$1.9 million. The favourable variance of \$1.9 million is partially offset by the remaining three capital projects having unfavourable variances totaling approximately \$0.08 million, resulting in an overall net positive variance of \$1.8 million.

Unfavourable Variances

Of the 63 capital projects ready for closure, there are no projects with an unfavourable variance greater than the \$100,000 reporting threshold.

Implications

The net transfer back to the City's reserve funds as result of the closure of 63 capital projects is \$1.8 million.

Further details are provided in the chart below:

Reserve Fund	Amount
Capital Purposes	\$ 74.6
Infrastructure Renewal	755.5
Information Technology Renewal	19.6
Growth Studies Development Charge	13.3
Transportation Development Charge	509.7
Park Dedication	48.4
Canada Community–Building Fund	27.0
Future Services	301.6
Parking Renewal	7.0
Policy Initiatives	36.4
Total	\$ 1,793.1

* Numbers are in Thousands and may not add due to rounding

Strategic Alignment

- Designing and delivering complete communities
 - Providing the best services and experiences
 - Protecting and improving the natural environment and taking action on climate change
 - Driving organizational performance
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Report Approval:

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.