

DATE OF MEETING | SEPTEMBER 22, 2021 |

AUTHORED BY | DAN BAILEY, MANAGER, ACCOUNTING SERVICES |

SUBJECT | PROJECT RESULTS FOR THE SIX MONTHS ENDING 2021-JUN-30

OVERVIEW

Purpose of Report:

To present the Finance and Audit Committee with a summary of project results for the six months ending 2021-JUN-30.

DISCUSSION

Projects that satisfy specific requirements as outlined in the City's Capital Asset Policy are classified as capital expenditures and are accounted for in the City's capital funds. There are three (3) Capital funds: General Capital, Sewer Capital and Water Capital funds. Projects that are smaller in scope and below specific capitalization thresholds are classified as "Operating Projects" and are accounted for in the City's operating funds.

Funding for project expenditures come from a number of sources including general tax revenues, operating and statutory reserves, grants and borrowing. Unfinished projects at the end of the year are usually carried forward to be completed in the following year. Due to this, project variances usually do not impact the operating surplus value.

Attachment A outlines the summary of results by project type for the six months ending 2021-JUN-30. The summary is divided into two sections: concurrent projects (i.e.: projects undertaken together to minimize disruption and maximize cost and service efficiencies) and all other projects.

Each section has been broken out into the following categories; which are defined as follows:

Status	Description
Complete	Project is fully complete and no additional costs are expected
Substantially Complete	Project is almost fully complete but there are a few minor costs still remaining to be incurred
In Progress	Project is currently underway
Not Started	Project has not been started but is anticipated to start by the end of the year
Delayed	Project has not been started or halted
Other	Project that does not fit into the categories above

For projects that have a 'Complete' status and come in under budget, any unused funds are transferred back to general reserves and/or other appropriate funding sources to fund future projects.

Projects may be considered complete from an operational perspective, but as there are often delays in receiving and processing invoices, projects are considered substantially complete until all costs are included. Attachment A lists the total year-to-date expenditures for each project. This listing illustrates at a glance the status of individual projects as at 2021-JUNE-30 compared to the budget for the year.

The City of Nanaimo has a capital budget of \$99.9 million and an operating project budget of \$14.7 million in 2021. This includes \$34.5 million of carry-forwards from 2020.

Summary by Project Status as at 2021-JUNE-30:

<i>Capital Project Status</i>	<i># of Projects</i>	<i>% of Total Budget</i>	<i>Annual Budget</i>	<i>Actual & Committed Costs to Jun 30</i>	<i>Available Funds</i>
Complete / Substantially Complete	67	5%	\$5,418,237	\$4,578,173	\$ 840,064
In Progress	140	81%	80,659,762	50,213,797	30,445,965
Not Started	73	8%	8,368,666		8,368,666
Delayed / Other	<u>39</u>	6%	<u>5,466,836</u>	<u>79,396</u>	<u>5,387,440</u>
Total	<u>319</u>		<u>\$ 99,913,501</u>	<u>\$ 54,871,366</u>	<u>\$ 45,042,135</u>

<i>Operating Project Status</i>	<i># of Projects</i>	<i>% of Total Budget</i>	<i>Annual Budget</i>	<i>Actual & Committed Costs to Jun 30</i>	<i>Available Funds</i>
Complete / Substantially Complete	40	6%	\$ 898,313	\$ 806,057	\$ 92,256
In Progress	195	75%	10,972,994	5,849,906	5,123,088
Not Started	39	18%	2,720,281		2,720,281
Delayed / Other	<u>5</u>	1%	<u>114,354</u>	<u>10,000</u>	<u>104,354</u>
Total	<u>279</u>		<u>\$ 14,705,942</u>	<u>\$ 6,665,963</u>	<u>\$ 8,039,979</u>
Total Projects	<u>598</u>		<u>\$114,619,443</u>	<u>\$61,537,329</u>	<u>\$53,082,114</u>

SUMMARY POINTS

- \$54,871,366 of the \$99,913,501 capital budget has been spent or committed as at 2021-JUNE-30.
- \$6,665,963 of the \$14,705,942 operating project budget has been spent or committed as at 2021-JUN-30.

ATTACHMENTS

- Attachment A: Summary of Project Results for the Six Months Ending 2021-JUN-30

Submitted by:

Dan Bailey
Manager, Accounting Services

Concurrence by:

Laura Mercer
Director, Finance

Bill Sims
General Manager, Engineering & Public
Works

Dale Lindsay
General Manager, Development Services

Richard Harding
General Manager, Parks, Recreation &
Culture