



**Mike Mayes, Director
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May 6, 2015

CORPORATE SERVICES REPORT - FINANCIAL SERVICES-2015-31

TO: Mayor Tony Van Bynen and Members of Council
Committee of the Whole

SUBJECT: 2014 Capital Carry-overs Report

ORIGIN: Senior Financial Analyst

RECOMMENDATION

THAT Corporate Services Report – Financial Services 2015-31 dated May 6, 2015 regarding the 2014 Capital Carryovers be received for information purposes.

COMMENTS

Purpose

This report is to advise on the 2014 capital carry-overs to 2015.

Budget Impact

A total amount of \$28,132,006 is to be carried over into 2015. Funding has been allocated for these carryovers in the original budgets.

Summary

The 2014 capital expenditures budget totaled \$51,414,125. The actual expenditures were \$20,362,371, including approved but non-budgeted amounts of \$390,990 for land purchase, redevelopment ready and Engineering for 2015 projects. A total amount of \$28,132,006 is to be carried over into 2015. A net amount of \$2,919,748 is not being carried over due to cancelled projects, project savings, and an amount of \$1,452,576 spent in 2013 for the Honeywell street lights retrofit project and the solar panel retrofit project.

Background

The 2014 capital expenditures budget totaled \$51,414,125. The actual expenditures were \$20,362,371, including approved but non-budgeted amounts of \$390,990 for land purchase, redevelopment ready and Engineering for 2015 projects. A total amount of \$28,132,006 is to be carried over into 2015. A net amount of \$2,919,748 is not being carried over, of which \$1,467,172 is due to cancelled projects and project savings. The remaining \$1,452,576 is the pre-approved amount spent in 2013 for Honeywell street lights retrofit project and the solar panel retrofit project.

Carry-overs are the transfer of the unspent portion of capital budgets, to the following year. As such, the expenditures and financing already have Council approval. The budget amounts carried over are combined with the "new" budget amounts and are reported on the financial statements.

Capital projects may be incomplete for a number of reasons, such as:

- 1) A multi-year project may have had all of its budget allocated to one year
- 2) There can be delays in getting approvals, external funding, utility or Regional clearances, or in awarding tenders
- 3) Re-prioritization

Major carryover projects include:

- Old Town Hall restoration -\$1,136,480, excluding Council approved additional expenditures of \$4,888,309;
- Road pavement, rehabilitation, and reconstruction projects - \$8,231,825;
- Honeywell street lights retrofit project - \$3,061,712;
- Property acquisition and extension of trail along the Holland River - \$3,058,235;
- Watermain at Wilstead Drive & Yonge Street - \$998,647;
- Tom Taylor Trail – Davis Drive underpass - \$800,765;
- Community Centre Lands project - \$719,367;
- SWM Pond maintenance program - \$650,611;
- Fire Station 4-1 renovations - \$550,000;
- Library building maintenance/upgrades - \$341,101.

NEXT STEPS

Further to recommendations included in the Hemson report on our Capital Financing Sustainability Strategy, our procedures and practices for capital budgeting and carryovers will be reviewed. A multi-year approach is being considered.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

This report links to Newmarket's key strategic directions in being Well Managed through fiscal responsibility.

CONSULTATION

The 2014 capital carryover amounts are proposed by the departments that have capital projects.

BUDGET IMPACT

Operating Budget (Current and Future)

Not Applicable.

Capital Budget

A total amount of \$28,132,006 is to be carried over into 2015. Funding is available for these carryovers according to the original budget.

CONTACT

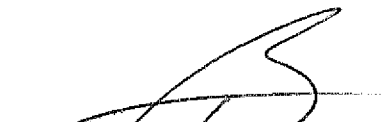
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FW/nh

Attachment:

- a) 2014 Capital Variances & Carry-overs Summary (1 page)

2014 Capital Variances & Carry-overs Summary

Commission / Department / Area	Budget (\$)	Actual (\$)	Variance (\$)	Amount Cancelled/(Offset by other project savings) (\$)	Carry-over Amount (\$)
General Government					
	3,354,124	420,906	2,933,218	(277,103)	3,210,321
Total	3,354,124	420,906	2,933,218	(277,103)	3,210,321
Corporate Services					
Information Technology	2,176,259	633,302	1,542,957	-	1,542,957
Legislative Services	88,722	52,678	36,044	-	36,044
Total	2,264,981	685,980	1,579,001	-	1,579,001
Community Services					
Recreation & Culture Services	473,734	77,360	396,374	-	396,374
Total	473,734	77,360	396,374	-	396,374
Development & Infrastructure Services					
Planning & Building	549,975	257,559	292,416	-	292,416
Roads	17,279,338	7,257,212	10,022,126	1,139,690	8,882,436
Water	1,904,189	304,396	1,599,793	(16,286)	1,616,079
Wastewater	839,256	156,232	683,024	14,602	668,422
Facilities	6,497,542	4,025,309	2,472,233	225,449	2,246,784
Parks	3,542,436	893,756	2,648,680	674,103	1,974,577
Trails	800,765	6,136	794,629	(6,136)	800,765
Other	10,273,974	4,789,886	5,484,088	1,140,748	4,343,340
Total	41,687,475	17,690,486	23,996,989	3,172,170	20,824,819
Library Services					
	1,287,192	234,408	1,052,784	-	1,052,784
Total	1,287,192	234,408	1,052,784	-	1,052,784
Central York Fire Services					
	2,346,619	1,253,231	1,093,388	24,681	1,068,707
Total	2,346,619	1,253,231	1,093,388	24,681	1,068,707
GRAND TOTAL					
	51,414,125	20,362,371	31,051,754	2,919,748	28,132,006