

Subject: 2018 Q1 Capital Budget Fiscal Amendments Update**APPROVALS:****Annette Antoniak**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

THAT the 2018 Q1 Capital Budget Fiscal Amendments update, as summarized on Attachment 1 (2018 Capital Budget Fiscal Amendments, dated March 31, 2018), be accepted as information.

Summary:

This report provides a summary of capital budget amendments implemented by Administration within the provisions of the Fiscal Responsibility Policy (FIN-160) for the first quarter ending March 31, 2018.

There were five (5) capital projects amended in the first quarter of 2018 as listed on Attachment 1, resulting in a net decrease of \$26,874,000 to the capital budget. Of this net decrease, \$20,000,000 is a reduction to undrawn committed debt and the remainder will be used to fund other fully tendered projects.

There were no additions, cancellations or changes in scope for these amended projects.

These amendments were reviewed and recommended by the Capital Projects Steering Committee.

Background:

The five capital project amendments included three projects releasing funds, one project changing cash flow requirements and one project required additional funding.

Three projects are close to substantial completion - Grayling Terrace Lift Station, Urban Infrastructure Rehabilitation 2014-2016 - Construction and Urban Infrastructure Rehabilitation 2014-2016 - Design, therefore, available funds were released. The Transit Facility (Green TRIP) - Construction project is accelerating construction to ensure the eligibility of grant funding which ends in 2019, as such, a change to the cash flow for this project was necessary. Conklin Multiplex - Construction project required additional funds for furnishings, fixtures and equipment; these purchases are within the

scope of the project.

Within the Fiscal Responsibility Policy (FIN-160), Administration is authorized to re-allocate capital budget funds provided that:

- The change will result in efficient administrative and project delivery process;
- The change will not result in addition or cancellation of the capital project;
- The underlying scope change does not alter the nature and type of capital project, where additional funding is required, funds available from a combination of savings from fully tendered projects, other uncommitted sources such as grants and offsite levies, and cash flow management with other capital projects will be utilized, and
- Council set debt and debt service limits are not exceeded.

Budget/Financial Implications:

Attachment 1 shows the net budget impact of these amendments. The original approved budget and the revised budget are presented with the net budget impact by project and funding source.

Attachment 2 summarizes the impact of cash flows and the source of funding from the proposed amendments by years.

Rationale for Recommendation:

The first quarter 2018 Capital Budget Fiscal Amendments satisfy all the above conditions as stated in the Fiscal Responsibility Policy (FIN-160) with a net decrease of \$26,874,000 to the 2018 the approved capital budget and prior capital budgets approved by Council.

Strategic Priorities:

Responsible Government

Attachments:

1 - 7 Q1 2018 Capital Budget Fiscal Amendments