

Subject: 2019 Q2 Capital Budget Fiscal Amendments Update**APPROVALS:****Annette Antoniak**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

THAT the 2019 Q2 Capital Budget Fiscal Amendments update, as summarized on Attachment 1 (2019 Capital Budget Fiscal Amendments, dated June 30, 2019), 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 second quarter ending June 30, 2019.

There were eleven (11) capital projects amended in the second quarter of 2019 as listed on Attachment 1, resulting in a net increase of \$9,315,986 to the capital budget.

There were three cashflow adjustments, six requests for additional funding and two requiring release of funds.

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

Background:

The eleven capital project amendments included three cashflow adjustments, six requests for additional funding and two requests for release of funds.

Three projects required cashflow adjustments:

- Casman Centre Arena Roof Top Units
- Jubilee Centre Renovations - Construction
- Lions Park Upgrade

Six projects required additional funding:

- Fort Chipewyan Airfield Rehabilitation
- Fort McMurray WTP PACL Tank Design/Build
- Landfill Temporary Road Change
- River Bank Protection - Design & Construction
- Saunderson Pressure Reducing Valve (PRV) Station - Design
- Urban Infrastructure Rehabilitation Program 2019 - Construction

Two projects required a release of funds:

- Urban Infrastructure Rehabilitation Program 2014 - 2016 - Construction
- Urban Infrastructure Rehabilitation Program 2017 - Construction

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;
- There are no scope changes, and therefore the nature and type of capital projects are not altered; 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 second quarter 2019 Capital Budget Fiscal Amendments satisfy all the above conditions as stated in the Fiscal Responsibility Policy (FIN-160) with a net increase of \$9,315,986 to the 2019 approved capital budget and prior capital budgets approved by Council.

Strategic Priorities:

Responsible Government

Attachments:

1 - 2. Q2 2019 Capital Budget Fiscal Update

3 - 13. Fiscal Amendment Forms