



Decision Letter

Budget Committee

Meeting No.	25	Contact	Kelly McCarthy, Committee Administrator
Meeting Date	Monday, May 7, 2012	Phone	416-397-7796
Start Time	9:30 AM	E-mail	buc@toronto.ca
Location	Committee Room 2, City Hall	Chair	Councillor Mike Del Grande

BU25.2	ACTION	Amended		Ward:All
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Capital Variance Report for the Year Ended December 31, 2011

Committee Decision

The Budget Committee recommends to the Executive Committee that:

1. City Council approve additional carry forward funding of \$19.893 million for unspent 2011 capital and carry forward funding of \$0.285 million for unspent 2010 and prior year capital projects as detailed in Appendix 2 in order to continue work on capital projects, and that the 2012 Approved Capital Budget be adjusted accordingly with no incremental impact on debt.
2. City Council approve in-year budget adjustment of \$1.556 million for Toronto Public Library to advance third party donations raised by the Toronto Library Foundation for the Toronto Reference Library capital project to 2011 from 2012 due to the acceleration of Phase II renovations in 2011 as detailed in Appendix 3; and that the 2012 Approved Capital Budget for Toronto Reference Library project be adjusted accordingly to offset the 2011 increase in funding.
3. City Council receive for information Appendix 4 which lists capital projects that have been completed.
4. City Council authorize and direct the appropriate City Officials to take the necessary action to give effect thereto.
5. The Deputy City Manager and Chief Financial Officer be requested to report directly to City Council for consideration with this item, on Capital Projects recommended for closure including total numbers of projects and total numbers of dollars in the under-spent category, total numbers of projects and numbers of dollars in the over-spent category and any possible recommended courses of action emerging from these totals.

Origin

(April 27, 2012) Report from the Deputy City Manager and Chief Financial Officer

Summary

The purpose of this report is to provide the 2011 Capital Variance for the year-ended December 31, 2011 and to seek Council's approval for 2011 in-year budget adjustments and 2011 and prior year carry forward funding with no incremental impact on debt.

Capital expenditures for the twelve months ended December 31, 2011 totalled \$2.330 billion or 61.3% of the 2011 Approved Capital Budget of \$3.797 billion (see Chart 1). This spending pattern is consistent with prior years. As detailed by City Program and Agency in Appendix 1, it is noted that 16 of 36 City Programs and Agencies spent in excess of 60% of their respective 2011 Approved Capital Budget.

(Refer to Chart 1 titled "2011 Capital Budget vs. Actual Expenditures for the Year Ended December 31, 2011" in the report from the Deputy City Manager and Chief Financial Officer).

Financial Impact

Capital expenditures for the twelve months ended December 31, 2011 totalled \$2.330 billion or 61.4% of the 2011 Approved Capital Budget of \$3.797 billion. This resulted in under-spending of \$1.467 billion, most of which is carried forward to 2012 in order to complete capital projects. In compliance with the City's Carry Forward policy, the carry forward of unspent 2011 funding will have no incremental impact on approved debt.

Background Information

(April 27, 2012) Report from the Deputy City Manager and Chief Financial Officer on Capital Variance Report for the Year Ended December 31, 2011

<http://www.toronto.ca/legdocs/mmis/2012/bu/bgrd/backgroundfile-46633.pdf>

(April 27, 2012) Appendices 1 to 5

<http://www.toronto.ca/legdocs/mmis/2012/bu/bgrd/backgroundfile-46842.pdf>

Speakers

Councillor Janet Davis

Councillor Shelley Carroll