

EX11.16a**Decision Letter****Budget Committee**

Meeting No.	12	Contact	Julie Amoroso, Committee Administrator
Meeting Date	Friday, December 6, 2019	Phone	416-392-4666
Start Time	9:30 AM	E-mail	buc@toronto.ca
Location	Committee Room 1, City Hall	Chair	Councillor Gary Crawford

BU12.1	ACTION	Adopted		Ward: All
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Capital Variance Report for the Nine Months Ended September 30, 2019**Committee Decision**

The Budget Committee recommends that:

1. City Council approve in-year budget adjustments to the 2019-2028 Approved Capital Budget and Plan as detailed in Appendix 4 to the report (November 29, 2019) from the Chief Financial Officer and Treasurer that result in no incremental impact on debt financing.

Origin

(November 29, 2019) Report from the Chief Financial Officer and Treasurer

Summary

The purpose of this report is to provide City Council with the City of Toronto capital spending for the nine month period ended September 30, 2019, as well as projected expenditures to December 31, 2019. Furthermore, this report seeks Council's approval for in-year budget adjustments to the 2019 Approved Capital Budget that have no impact on 2019 approved debt.

As illustrated in Table 1 below, City's 2019 capital expenditure was \$2.237 billion or 39.3 percent of the 2019 capital budget of \$5.689 billion for the period ended September 30, 2019 and is projecting to expend \$3.945 billion or 69.3 percent by December 31, 2019.

Table 1 - Capital Variance Summary

	2019 Approved Budget*	Actual Expenditures - January to September		Projected Expenditures - January to December	
		\$M	Percent	\$M	Percent
City Operations	1,968	679	34.5 percent	1,269	64.5 percent
Agencies	2,592	1,002	38.7 percent	1,699	65.6 percent

Subtotal - Tax Supported	4,560	1,682	36.9 percent	2,968	65.1 percent
Rate Supported	1,129	555	49.2 percent	977	86.5 percent
TOTAL	5,689	2,237	39.3 percent	3,945	69.3 percent

*Note: Includes 2018 carry forward funding and 2019 in-year adjustments

The Capital spending pattern for the first nine month typically ranges between 32 percent and 37 percent of the total Council Approved Capital Budget. Total City projected spend of 69.3 percent by year-end is comprised of a Tax Supported Programs spending rate of 65.1 percent and a Rate Supported Programs spending rate of 86.5 percent. The projected year-end spending rates presented in this report are based on the submissions from each Program and Agency, and as such, the preparation of this report has been based on this information.

The report also details the 6 completed capital projects that have a combined budget of \$8.3 million that are ready to be closed. They have been completed under budget, realizing underspending of \$1.6 million.

Background Information

(November 29, 2019) Report from the Chief Financial Officer and Treasurer on Capital Variance Report for the Nine Months Ended September 30, 2019

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140899.pdf>)

Appendix 1 - 2019 Capital Variance and Projection Summary for the Nine Months Ended September 30, 2019

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140900.pdf>)

Appendix 2 - Capital Projects for Closure

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140901.pdf>)

Appendix 3 - Major Capital Projects

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140902.pdf>)

Revised Appendix 4 - In-Year Adjustments for the Nine Months Ended September 30, 2019

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140903.pdf>)

Appendix 5 - Capital Variance Dashboard by Program and Agency

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140904.pdf>)

(November 22, 2019) Report from the Chief Financial Officer and Treasurer on Capital Variance Report for the Nine Months Ended September 30, 2019 - Notice of Pending Report

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-140508.pdf>)