

EX10.28



Decision Letter

Budget Committee

Meeting No.	13	Contact	Jennifer Forkes, Committee Administrator
Meeting Date	Friday, November 13, 2015	Phone	416-392-4666
Start Time	9:30 AM	E-mail	buc@toronto.ca
Location	Committee Room 1, City Hall	Chair	Councillor Gary Crawford

BU13.7	ACTION	Adopted		Ward:All
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Capital Variance Report for the Nine Months Period Ended September 30, 2015

Committee Decision

The Budget Committee recommends that:

1. City Council receive for information Appendix 2 to the report (October 29, 2015) from the Deputy City Manager and Chief Financial Officer, which lists 152 completed capital projects/sub-projects to be closed resulting in a total combined project budget savings of \$31.448 million.
2. City Council approve in-year budget adjustments to the 2015-2024 Approved Capital Budget and Plan detailed in Appendix 3 to the report (October 29, 2015) from the Deputy City Manager and Chief Financial Officer, with no incremental impact on debt funding.

Origin

(October 29, 2015) Report from the Deputy City Manager and Chief Financial Officer

Summary

The purpose of this report is to provide Council with the City of Toronto Capital Variance for the nine months period ended September 30, 2015, as well as projected actual expenditures to December 31, 2015. Furthermore, this report seeks Council's approval for in-year budget adjustments to the 2015 Approved Capital Budget.

The report also identifies 152 completed capital projects that have a combined budget of \$267.708 million are ready to be closed and have been completed under budget, resulting in savings of \$31.448 million that will be returned to their original funding sources, including a savings of \$9.290 million in debt funding, \$1.449 million in recoverable debt funding, \$19.886 million in reserve funding, \$0.153 million in federal subsidies and \$0.669 million in CFC funding.

Table 1
Nine Months and YE Projected Spending Rate

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	2015 Approved Budget	Actual Expenditures - January 1 to September 30, 2015		Projected Actual Expenditure at Year-End	
		\$000s	%	\$000s	%
Tax Supported	3,337,699	1,210,991	36.3	2,543,400	76.2
Rate Supported Programs:	870,628	347,730	39.9	694,794	79.8
TOTAL	4,208,327	1,558,721	37.0	3,238,194	76.9

The spending pattern for the first nine months of 2015 is consistent with prior years. As detailed by City Program and Agency in Appendix 1, actual expenditures to year-end are expected to reach \$3.238 billion or 76.9% of the total 2015 Approved Capital Budget. Eighteen of 33 City Programs and Agencies are projecting spending in excess of 70% by year-end: Tax Supported Programs project a spending rate of 76.2% to year-end; while Rate Supported Programs project year-end spending rate of 79.8%.

Chart 1
2010 – 2015 Capital Budget Spend Rate

(See Chart 1 titled 2010-2015 Capital Budget Spend Rate
in the Summary Section of the report dated October 29, 2015
from the Deputy City Manager and Chief Financial Officer)

Over the past 4 years both the approved capital budget (including carry forward funding) and the actual spending have been trending at a relatively steady rate, resulting in an average spending rate of 62% as outlined in Chart 1 above.

Background Information

(October 29, 2015) Report and Appendices 1 to 4 from the Deputy City Manager and Chief Financial Officer on Capital Variance Report for the Nine-Month Period Ended September 30, 2015

(<http://www.toronto.ca/legdocs/mmis/2015/bu/bqrd/backgroundfile-85377.pdf>)

Appendix 5 - Capital Dashboard for Programs/Agencies

(<http://www.toronto.ca/legdocs/mmis/2015/bu/bqrd/backgroundfile-85549.pdf>)