

EX8.13**Decision Letter****Budget Committee**

Meeting No.	8	Contact	Julie Amoroso, Committee Administrator
Meeting Date	Friday, September 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

BU8.3	ACTION	Adopted		Ward: All
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Capital Variance Report for the Six Months Ended June 30, 2019**Committee Decision**

The Budget Committee recommends to the Executive Committee 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 (August 22, 2019) from the Chief Financial Officer and Treasurer that result in no incremental impact on debt financing.

Origin

(August 22, 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 six month period ended June 30, 2019, as well as projected actual 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 \$1.326 billion or 22.9 percent of the 2019 capital budget of \$5.788 billion for the period ended June 30, 2019 and is projecting to expend \$4.220 billion or 72.9 percent by December 31, 2019.

Table 1 - Capital Variance Summary

	2019 Approved Budget	Actual Expenditures - January to June		Projected Expenditures - January to December	
	\$M	\$M	%	\$M	%
City Operations	2,070	358	17.3%	1,305	63.1%
Agencies	2,592	654	25.2%	1,917	74.0%

Subtotal - Tax Supported	4,662	1,012	21.7%	3,222	69.1%
Rate Supported	1,126	315	27.9%	997	88.5%
TOTAL	5,788	1,326	22.9%	4,220	72.9%

The spending pattern for the first half of the year is typically around 20 percent of the total Council Approved Capital Budget.

Total City projected spend of 72.9 percent by year-end is comprised of a Tax Supported Programs spending rate of 69.1 percent and a Rate Supported Programs spending rate of 88.5 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 45 completed capital projects that have a combined budget of \$143.4 million that are ready to be closed. They have been completed under budget, realizing underspending of \$8.6 million.

Background Information

(August 22, 2019) Report from the Chief Financial Officer and Treasurer on Capital Variance Report for the Six Months Ended June 30, 2019

<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-136723.pdf>

Appendix 1 - 2019 Capital Variance and Projection Summary for the Six Months ended June 30, 2019

<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-136818.pdf>

Appendix 2 - Capital Projects for Closure

<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-136819.pdf>

Appendix 2.1 - Capital Projects Recommended for Partial Closure

<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-136821.pdf>

Appendix 3 - Major Capital Projects

<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-136822.pdf>

Appendix 4 - In-Year Adjustments for the Six Months ended June 30, 2019

<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-136823.pdf>

Appendix 5 - Capital Variance Dashboard by Program and Agency

<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-136824.pdf>