

**Meeting Date:** July 10, 2024

**Subject:** 2024 Capital Budget Amendments

**Approvals:** Laurie Farquharson

Chief Financial Officer

Henry Hunter

Chief Administrative Officer

## Recommendation(s):

THAT the 2024 Capital Budget Amendments as summarized on Attachment 1 (2024 Capital Budget Amendment – Project Cancellation and Amendment – Net Impact, dated July 9, 2024) be approved; and

THAT the revised Cash Flow of Capital Projects as summarized on Attachment 2 (2024 Capital Budget Amendment – Project Cancellation and Amendment – Cash Flow Summary, dated July 9, 2024) be approved.

## Summary | Background:

Administration has identified two (2) capital projects to be submitted for Capital Budget amendment consideration. Council is the approving authority for the Capital Budget, subject to the provisions of the Fiscal Responsibility Policy (FIN-160).

The Capital Budget amendments will result in a net decrease of \$ 1,000,000 to the 2024 & Prior Capital Budget, as outlined in the Budget Net Change Summary.

### Project Cancellation

- Albion Drive Full Rehabilitation
  - This amendment is to cancel this project and release the funds back to Capital Infrastructure Reserve (CIR).
  - Upon receiving the bid price, which exceeded the approved budget of \$1M, a reassessment resulted in the decision to cancel the deep utility work portion of this project. The remaining road rehabilitation scope will be transferred to the Road Surface and Alleyways Improvement project, IO# 602510, along with the actual costs incurred totaling \$21,583. Therefore, the full approved budget of \$1M will be released.
  - It is recommended that the project be cancelled.



Project Amendment

- Road Surface and Alleyways Improvement
  - This amendment is to add the road rehabilitation scope from the Albion Drive Rehabilitation project, IO# 602508, as well as the actual costs incurred totaling \$21,583, to this project. The costs incurred are directly related to the portion of scope that is being transferred over.
  - The Albion Drive Rehabilitation project was cancelled due to a higher than anticipated bid price resulting in an insufficient budget. Upon reassessment, the deep utility work portion was cancelled. The remaining road rehabilitation scope, which will be added to this project, will be included on the tender.
  - The overall approved budget of this project will not be impacted.
  - It is recommended that this project be amended.

**Budget | Financial Considerations:**

There is a net decrease in funding from the 2024 & Prior Capital Budget.

The full budget impact of the amendments will be incorporated in the 2024 Budget upon Council approval; Attachments 1 - 3 illustrate this impact.

**Attachment 1** shows the net budget impact of the amendments. The original approved budget and the revised budget is presented with the net budget impact by project and funding source.

**Attachment 2** shows the cash flow changes by funding source. Since multi-year projects are pre-approved over the life of project development, amendments to the cash flows of these projects also require pre-budget approval.

**Attachment 3** summarizes the impact of cash flows and the source of funding from the proposed amendments for 2024 and thereafter. This is reflected on the following page in the Budget Net Change Summary.



Budget Net Change Summary						
	Total	Federal	Provincial		Other	
	Project Cost (Accumulative)	Grants	Grants	Reserves	Sources	Debenture
2024 & Prior	\$ (1,000,000)	\$ -	\$ -	\$ (1,000,000)	\$ -	\$ -
2025 & Thereafter	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Reconciled net change</b>	<b>\$ (1,000,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,000,000)</b>	<b>\$ -</b>	<b>\$ -</b>

**Strategic Plan Alignment | Impact:**

Council is the approving authority for the Capital Budget, subject to the provisions of the Fiscal Responsibility Policy (FIN-160), which aligns with the Fiscal Management Program of Council’s Strategic Plan.

**Rationale for Recommendation(s):**

The rationale for the amendment and cancellation of the projects is included in the attached Capital Budget Amendment Forms (Attachments 4 - 5).

**Attachment(s):**

1. 2024 Capital Budget Amendments – Project Cancellation and Amendment – Net Impact, dated July 9, 2024
2. 2024 Capital Budget Amendments – Project Cancellation and Amendment – Cash Flow Summary, dated July 9, 2024
3. Cash Flow by Funding Sources, by Year, dated July 9, 2024
- 4 - 5. Capital Budget Amendment Forms

