



## ADMINISTRATIVE REPORT

Report Date: October 18, 2017  
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Meeting Date: November 1, 2017

TO: Standing Committee on Policy and Strategic Priorities  
FROM: Director of Finance  
SUBJECT: 2017 Q3 Capital Budget Adjustments and Closeouts

### ***RECOMMENDATION***

- A. THAT Council approve an increase of \$5.8 million to the 2015-2018 Capital Plan, as outlined in this report and Appendix A.
- B. THAT, subject to approval of Recommendation A, Council approve budget and funding adjustments totaling a net increase of \$6.4 million to the Multi-Year Capital Projects Budget
- C. THAT, subject to approval of Recommendations A and B, Council approve a net decrease of \$37.1 million to the 2017 Capital Expenditure Budget, as outlined in this report and Appendix A.
- D. THAT, as part of the quarterly Capital Budget closeout process, Council approve the closeout of seven completed capital projects with variances exceeding both \$50,000 and 15% of the approved Multi-Year Capital Projects Budget as outlined in this report and Appendix B.

### ***REPORT SUMMARY***

On December 13, 2016, Council approved the 2017 Capital Budget, including new multi-year capital projects, bringing the total approved Multi-Year Capital Projects Budget for open projects at that time to \$1.433 billion (including the multi-year projects completed in Q3 2017 presented for closeout in this report) and a 2017 Annual Capital Expenditure Budget of \$485.5 million. Council has subsequently approved adjustments and closeouts to multi-year capital project budgets, bringing the current total approved Multi-Year Capital Projects Budget for open projects to \$1.337 billion.

This report recommends increases of \$5.8 million to the 2015-2018 Capital Plan and \$6.4 million to the Multi-Year Capital Projects Budget, reflecting new capital investment priorities arising since the 2017 Q2 Capital Budget Adjustments and Closeouts approved by Council July 25, 2017 (RTS 11831), including an increase in the volume of property owner requests for combined sewer and water connections, the expansion of parking meter spaces and meters to support the delivery of the City's parking management objectives, and the replacement of an end-of-service-life aerial platform fire truck with an aerial platform fire truck with articulating functionality. This report also recommends a net decrease of \$37.1 million to the 2017 Annual Capital Expenditure Budget, reflecting timing changes in the execution of a number of ongoing capital projects as a result of various factors, including unfavourable weather and site conditions, slower than expected contractor construction progress, and coordination with third party funding partners.

In addition, in conjunction with the quarterly Capital Budget review process, Council approval is requested to close seven completed capital projects which had final actual-to-budget variances exceeding both \$50,000 and 15% of the approved Multi-Year Capital Projects Budget. A total of 20 programs/projects were completed in Q3 2017, with a total Multi-Year Capital Projects Budget of \$16.8 million and a net surplus of \$2.9 million (17%), as outlined in Appendix B.

#### **COUNCIL AUTHORITY/PREVIOUS DECISIONS**

The City has a policy to plan for capital project expenditures on a multi-year cycle. In October 2014 (RTS 10507), Council approved the 2015-2018 Capital Plan in the amount of \$1.085 billion. New capital priorities identified and approved by Council since 2014, including the acquisition of the Arbutus Corridor in February 2016, have increased the 2015-2018 Capital Plan total to \$1.337 billion.

Section 242 of the *Vancouver Charter* gives Council the authority to borrow funds for the construction, installation, maintenance, replacement, repair and regulation of waterworks, sewerage and drainage, and energy utility systems without the assent of the electorate; borrowing authority for all other purposes must be established through the electorate's approval of a borrowing plebiscite. A change in the use of electorate-approved borrowing authority prior to borrowing funds, or diverting borrowed funds to some other purpose, requires approval by a two-thirds majority of Council members.

It has been Council practice to fund capital expenditures for waterworks, sewerage and drainage, and energy utility systems from debenture borrowing. As part of the City's debt management strategy, commencing in the 2012-2014 Capital Plan, the water utility began to transition its infrastructure lifecycle replacement program from debt financing to pay-as-you-go over two Capital Plans. The transition will be complete within the four-year term of the 2015-2018 Capital Plan. Similarly, commencing in the 2015 Capital Budget and continuing with the 2016 and 2017 Capital Budgets, the sewer utility also began a transition to a pay-as-you-go funding model. The balance of capital expenditures are funded from a combination of debenture borrowing, direct contribution from the annual Operating Budget (Capital from Revenue), Development Cost Levies (DCLs) and Community Amenity Contributions (CACs) from developers, special-purpose reserves, internal loans, fees and levies collected from property owners and contributions from senior governments and other funding partners.

Funding from the multi-year Capital Plan is allocated to specific capital programs and projects through the annual Capital Budgeting process. Council approval of the annual Capital Expenditure Budget is required before work can proceed on specific programs/projects. During the course of a capital project, as the project progresses through planning and design and final costing, the nature and final scope of work becomes more refined and in some cases requires an update to the originally planned funding sources. As well, over the four years of a capital plan, the original planned uses of debenture funding across the capital plan categories may change and other funding sources, including senior government funding contributions/partnerships, may become available.

The requirement to borrow funds to finance capital expenditures is established by Council at the time of the approval of the multi-year capital project budget. Borrowed funds are generally paid back over 10 years to ensure that outstanding debt does not accumulate to unacceptable levels, and that annual debt servicing charges (principal and interest) are maintained at a level that does not put undue pressure on the operating budget.

Section 247A of the Vancouver Charter requires that full provision of annual debt servicing charges, both principle and interest, be made in the annual operating budget. This ensures that debenture holders are paid the interest component at the prescribed rate and time, and that sufficient funding is available to retire the obligation at maturity.

In June 2003, Council approved the Financing Growth Policy which sets out policy for the collection and use of DCLs and CACs. Pursuant to Section 523D of the Vancouver Charter, DCLs are collected to assist in recovering growth-related capital costs that arise from new developments. DCLs are generally allocated on a "cash available" basis among park, replacement housing, transportation, utilities, and childcare projects in proportions specified in various DCL By-laws. CACs are developer contributions that arise from rezonings. Within the context of the City's Financing Growth Policy, an offer of a CAC to address the impacts of rezoning can be anticipated from the owner of a rezoning site. CAC offers typically include either the provision of on-site amenities or a cash contribution towards other public benefits and they take into consideration community needs, area deficiencies and the impact of the proposed development on City services. The allocation of both DCL and CAC funding to specific amenities requires Council approval.

Council authority is required to close capital accounts with variances that exceed both \$50,000 and 15% of the approved Multi-Year Capital Projects Budget, and to reallocate capital funding over \$50,000.

#### ***CITY MANAGER'S/GENERAL MANAGER'S COMMENTS***

The Capital Budget is the primary tool by which the City implements its multi-year Capital Plan. It provides the authority to proceed with specific capital programs and projects, and defines the multi-year project budget and outcomes, as well as a corresponding annual expenditure budget to ensure timely delivery of these outcomes. It is important in fostering and maintaining public accountability and transparency, and provides detailed information about specific programs/projects, such as budgets by cost category, identification of specific funding sources, and outcomes that are clearly identifiable and measurable.

The City's Capital Budget process has been developed to ensure assets and investments are managed comprehensively, with rigor and transparency, in a manner that ensures the City is achieving value for money, and that staff resources are used efficiently.

As part of the City's Capital Budget process, Council considers Capital Budget adjustments on a quarterly basis. This streamlines the Capital Budget process and also reduces the number of capital budget related reports being submitted to Council for approval of capital funding and expenditures.

Capital Budget adjustments include, for example:

- Reallocations to projects or programs from other projects or programs to reflect changes in capital priorities;
- Additions to the Capital Budget for projects or programs for which the timing of expenditures are uncertain at the time of approving the annual budget but which subsequently becomes more certain (e.g., projects awaiting resolution of factors external to the City, such as partnership funding commitments);
- Requests for funding from future years of the Capital Plan to advance or expedite projects or programs in a given year; and
- Revisions to funding sources.

This report reflects the City's continued focus on managing capital expenditures and balancing capital infrastructure priorities with consideration of value for money spent.

Before City staff bring a proposed capital project to Council for approval, the associated operating cost implications for current and future operating budgets are reviewed to ensure that City departments will have sufficient operating budget capacity.

Quarterly Operating and Capital Budget reviews are posted externally on the City's website at <http://vancouver.ca/your-government/financial-reports-and-information.aspx>.

The 2017 Q3 Operating and Capital Budget Review scheduled to be posted to the City's website in November 2017 will comment on 2017 third quarter year-to-date capital expenditures, while this report focuses on 2017 Q3 Capital Budget adjustments and capital closeouts recommended by staff for Council approval.

## ***REPORT***

### ***Background/Context***

On December 13, 2016, Council approved the 2017 Capital Budget, including new multi-year capital projects, bringing the total approved Multi-Year Capital Projects Budget for open projects at that time to \$1.433 billion (including the multi-year projects completed in Q3 2017 presented for closeout in this report) and a 2017 Annual Capital Expenditure Budget of \$485.5 million. Council has subsequently approved adjustments and closeouts to multi-year capital project budgets, bringing the current total approved Multi-Year Capital Projects Budget for open projects to \$1.194 billion.

Adjustments to annual expenditure budgets at a project level are generally managed within the departmental or Citywide annual capital expenditure budget envelope, with no changes

to the overall Annual Capital Expenditure Budget. During the course of the year, however, as projects proceed, circumstances may arise which significantly affect the timing of the planned execution and expenditures for some projects, either accelerating or delaying the planned spending. Where the effect on the total Citywide planned expenditures becomes significant and has a high level of certainty, an adjustment to the overall Annual Capital Expenditure Budget is recommended to Council for approval through the quarterly capital budget adjustment process.

As part of the capital budgeting process, proposed adjustments to the current Capital Plan and to the Capital Budget, including multi-year project budgets and the annual expenditure budget, and closeouts of completed projects requiring Council approval are identified in the quarterly capital budget review and presented to Council for approval. This report includes recommendations for adjustments to the 2015-2018 Capital Plan, the Multi-Year Capital Projects Budget and the 2017 Capital Expenditure Budget, as well as recommendations to close out projects completed in the third quarter of the City's 2017 financial year.

### *Strategic Analysis*

#### A. 2017 Q3 Capital Budget Adjustments

As part of the on-going work and oversight related to the City's Capital Plan and Capital Budget, staff continually review priorities, respond to emerging needs, and where appropriate bring forward recommendations for adjustments to the Capital Plan and/or Capital Budget each quarter.

Quarterly Capital Budget adjustment requests are categorized as follows:

- Administrative consolidation of multiple projects into one program, budget restatements, and funding source changes;
- Emerging priority projects that have been identified to address unforeseen urgent issues or new priorities emerging outside of the regular four-year Capital Plan/annual Capital Budget cycles;
- Timing uncertain budget additions/acceleration of projects;
- Budget increases or decreases to existing projects/programs based on scope changes, results of contract tendering or changes in cost structure of a project, or changing priorities for the timing of project deliverables; and
- Budget reallocations between projects, with no change to the overall multi-year project budget or annual capital expenditure budget.

The 2015-2018 Capital Plan was approved in October 2014 at \$1.085 billion, and with subsequent Council approved changes, has a current total of \$1.337 billion covering projects across all City departments and agencies. This report proposes an increase of \$5.8 million to the 2015-2018 Capital Plan for several priority projects that have arisen subsequent to the development of the 2017 Capital Budget in late 2016, including an increase in the volume of requests for combined sewer and water connections, the expansion of parking meter spaces and meters to support the delivery of the City's parking management objectives, and the replacement of an end-of-service-life aerial platform fire truck with an aerial platform fire truck with articulating functionality. With the adjustments recommended in this report, the revised total 2015-2018 Capital Plan will be \$1.343 billion.

The current total of approved multi-year capital budgets for all open projects is \$1.194 billion. This report proposes a net decrease of \$10.4 million, reflecting an increase of \$6.4 million for new or increased multi-year capital project budgets and a reduction of \$16.8 million for capital projects that were completed in Q3 2017. With the Q3 2017 project closeouts and multi-year project budget adjustments recommended in this report, the revised total of the approved Multi-Year Capital Projects Budget for all open projects will be \$1.183 billion.

The following highlights the larger recommended changes to the 2015-2018 Capital Plan and multi-year capital project budgets, reflecting capital priorities arising subsequent to the approval of the 2017 Capital Budget in early December 2016:

- \$5.2 million for a new multi-year capital project budget for the acquisition of a property at 2221 Main Street to be redeveloped as an urban park in conjunction with the rezoning of the property;
- an increase of \$2.0 million to the multi-year capital project budget for the 2015-18 Vehicles and Equipment Replacement and Additions program for the not-like-for-like replacement of an end-of-service-life aerial platform fire truck with an aerial platform unit with articulating functionality (revised total multi-year capital project budget to be \$45.8 million).
- an increase of \$1.7 million to the 2015-2018 Capital Plan and to the property-owner funded multi-year capital project budget for the 2016 Sewer and Water Combined Connections program to reflect a higher volume of requests to connect new properties to the City's water, sanitary, and stormwater sewer services (revised total multi-year capital project budget to be \$13.6 million);
- an increase of \$1.6 million to the 2015-2018 Capital Plan and to the multi-year capital project budget for the New Parking Meters program for the expansion of parking meter spaces and meters to support the delivery of the City's parking management objectives (revised total multi-year capital project budget to be \$2.1 million); and
- a decrease of \$2.2 million to the multi-year capital project budget for the 800 Robson Plaza Construction project, as the remainder of the project has been deferred while negotiations for cost sharing with the provincial government are ongoing (revised total multi-year capital project budget to be \$0.9 million).

The current overall 2017 Capital Expenditure Budget is \$485.5 million. Staff recommend reducing the 2017 expenditure budget by \$37.1 million (~8%) for a revised total of \$448.4 million, to reflect timing changes in the execution of a number of current open projects, arising primarily from extended timelines required for project planning, scope definition, and contract procurement, as well as delays in construction progress as a result of unfavourable weather and site conditions. Details for all proposed capital budget adjustments are provided in Appendix A.

Appendix A also provides details for proposed funding source updates for several projects. During the course of a capital project, as the project progresses through planning and design and final costing, the nature and final scope of work becomes more refined and in some cases requires an update to the originally planned funding sources. As well, over the four years of a capital plan, the original planned uses of debenture funding across the capital plan categories may change.

Table 1 below summarizes the changes to the 2015-2018 Capital Plan, Multi-Year Capital Projects Budget and Annual Capital Expenditure Budget as a result of the recommended capital budget adjustments and closeouts.

Table 1 - Proposed Changes to 2015-2018 Capital Plan, Multi-Year Projects Budget, and 2017 Annual Expenditure Budget (\$ Millions)			
	2015-2018 Capital Plan Impact	Capital Budget Impact	
		Multi-Year Projects Budget (for Open Projects)	2017 Annual Expenditure Budget
Current Capital Plan / Budget	\$ 1,336.8	\$ 1,193.8	\$ 485.5
<b>Adjustment Category</b>			
A. Administrative consolidations and restatements	\$ -	\$ -	\$ -
B. Emerging priority projects	0.5	5.7	5.6
C. Timing uncertain budget additions / acceleration of projects	-	-	0.3
D. Budget increases/decreases to existing projects/programs	5.3	0.7	(40.5)
E. Reallocations	-	-	(2.4)
<b>Proposed Adjustments</b>	\$ 5.8	\$ 6.4	\$ (37.1)
<b>Multi-year Project Closeouts</b>		\$ (16.8)	
<b>Proposed Revised Capital Plan / Budget</b>	\$ 1,342.6	\$ 1,183.4	\$ 448.4

Staff continue to very closely manage the capital spend on a quarterly basis to enhance risk mitigation and ensure optimal delivery of projects within the projected timeline and annual expenditure budget. Strategic review of progress on projects is done on a regular basis, and where timing of projects are advanced or delayed, budgets are recommended for adjustment. With the exception of emergency situations, expenditures are not permitted until the corresponding expenditure budget or increase to the expenditure budget is approved by Council.

## B. 2017 Q3 Capital Closeouts

The Capital closeout process is the mechanism by which the City's capital programs/projects are closed, completion deficits and surpluses are identified and, to the extent applicable, offset. Net closeout surpluses are transferred to City-Wide Unallocated Funding from Capital Closeouts for funding future Capital programs and/or projects.

The purpose of this report is to request Council approval to close capital programs/projects where completion spend variances exceed both \$50,000 and 15% of the approved multi-year capital projects budget.

A total of 20 programs/projects with multi-year capital project budgets totalling \$16.8 million and expenditures of \$13.9 million were completed in the period between the 2017 Q2 Capital Closeout (RTS 11831) and the end of the third quarter of 2017 (September 30, 2017), with a net surplus of \$2.9 million. Seven of the 20 completed programs/projects had a completion variance exceeding both \$50,000 and 15% of the approved multi-year capital project budget; these variances are explained in Appendix B.

Appendix B also provides financial details, by project and department, for projects/programs closed in Q3 2017 and a summary of the proposed allocation of project/program closeout surpluses.

### **CONCLUSION**

As part of the capital budgeting process, adjustments to the Multi-Year Capital Projects Budget and Annual Capital Expenditure Budget, and closeout of programs/projects that require Council approval, are identified and brought to Council through the quarterly reporting process.

The purpose of this report is to request Council approval of an increase of \$5.8 million to the 2015-2018 Capital Plan and \$6.4 million to the Multi-Year Capital Projects Budget, and a net decrease of \$37.1 million to the 2017 Annual Capital Expenditure Budget for a revised annual capital expenditure budget of \$448.4 million.

This report also requests Council approval for the closeout of seven projects with a completion variance exceeding 15% and \$50,000 of the approved budget. A total of 20 projects/programs were completed in Q3 2017, with an overall net surplus of \$2.9 million.

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Capital Budget Adjustment Requests			BUDGET IMPACT							
			Multi-Year Project Budget			2017 Capital Expenditure Budget				
<b>A. Administrative consolidation, restatements, or funding source changes</b> Includes the ongoing consolidation of like programs/projects into one larger program/project (normally no net impact on the annual budget); other restatements; changes to project funding source(s).										
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
<b>Funding source additions/changes:</b>										
Real Estate & Facilities Management	Childcare at Gastown Parkades	<b>Change in Funding Source for Multi-Year Project Budget:</b> Replace \$4.0 million DCL funding with CAC from rezoning of 601 West Hastings Street.	4,500,000	0	4,500,000	1,200,000	0	1,200,000	<b>Increase:</b> CAC from rezoning of 601 West Hastings Street \$4,000,000  <b>Decrease:</b> City-wide DCL \$4,000,000	
Real Estate & Facilities Management	Lord Tennyson Elementary School Childcare	<b>Change in Funding Source for Multi-Year Project Budget:</b> Replace \$1.1 million DCL funding with CAC from rezoning of 1755 West 14th Avenue.	8,500,000	0	8,500,000	300,000	0	300,000	<b>Increase:</b> CAC from rezoning of 1755 West 14th Avenue \$1,100,000  <b>Decrease:</b> City-wide DCL \$1,100,000	
Engineering Services	2015-18 New Pedestrian & Bicycle Signals	<b>Change in Funding Source for Multi-Year Project Budget:</b> Replace \$454,820 of City-Wide DCL funding with ICBC funding received towards the installation of new pedestrian and bike signals.	2,521,301		2,521,301	862,182	0	862,182	<b>Increase:</b> External (ICBC) \$454,820  <b>Decrease:</b> City-wide DCL \$454,820	
<b>Total - Administrative Consolidations; Funding Source Changes</b>			\$ 15,521,301	\$ -	\$ 15,521,301	\$ 2,362,182	\$ -	\$ 2,362,182		\$ -
<b>B. Emerging priority projects</b> New projects that have been identified to address unforeseen urgent issues or new priorities emerging outside of the regular capital budget cycle.										
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Parks and Recreation	Park Land Acquisition	<b>New Multi-Year Project Budget:</b> Acquisition of land site to be developed as an urban park. The design, construction and programming of the park would be determined through a separate process led by the Park Board.	0	5,233,050	5,233,050	0	5,233,050	5,233,050	2015-2018 Capital Plan (Parks, Open Spaces & Recreation / New or Expanded Parks) DCL	
Community Services	Orpheum Theatre Digital Signs (including Marquees and interior digital signs)	<b>New Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan:</b> Existing outdoor digital signage for the Orpheum Theatre was installed more than 20 years ago and the technology to animate the signs is no longer supported. New Ultra High Definition signs will allow coordination between venue signage and provide sponsorship and advertising opportunities.	0	392,000	392,000	0	250,000	250,000	Vancouver Civic Theatre Capital Reserve	392,000
Community Services	Orpheum Theatre Tenant Improvements	<b>New Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan:</b> Tenant improvements to the "b" rental space in the basement of the Orpheum Theatre to expand availability of rentable space.	0	75,000	75,000	0	75,000	75,000	Vancouver Civic Theatre Capital Reserve	75,000

Capital Budget Adjustment Requests			BUDGET IMPACT								
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget					
			Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan	
Technology Services	Sharepoint	<b>New Multi-Year Project Budget (Reallocation) and Annual Capital Expenditure Budget:</b> The Sharepoint project will be replacing the end of life, freeware version currently being used by COV for critical operations. The current version will no longer be supported by the vendor creating risk for several of the city's business units that use it on a daily basis. The Sharepoint 2016 product will increase resilience, support business continuity and positions COV well for using Sharepoint as an enterprise solution supporting many essential operational functions across the City.	0	300,000	300,000	0	300,000	300,000	Reallocation of previously approved capital funding (Capital from Revenue)		
Technology Services	Digital Strategy - Staff & Public WiFi	<b>Decrease to Multi-Year Project Budget (Reallocation) and Annual Capital Expenditure Budget:</b> Reduction in project scope to reflect the deferment of elements of the original scope as a result of reprioritizing Technology Services resources for non-discretionary requirements.	785,000	(200,000)	585,000	413,376	(200,000)	213,376	Reallocation of previously approved capital funding (Capital from Revenue)		
Technology Services	SAP Enhancements & Upgrades	<b>Decrease to Multi-Year Project Budget (Reallocation) and Annual Capital Expenditure Budget:</b> Reduction in project scope to reflect the deferment of elements of the original scope as a result of reprioritizing Technology Services resources for non-discretionary requirements.	1,620,000	(100,000)	1,520,000	635,000	(100,000)	535,000	Reallocation of previously approved capital funding (Capital from Revenue)		
<b>Total - Emerging Priority Projects</b>			\$ 2,405,000	\$ 5,700,050	\$ 8,105,050	\$ 1,048,376	\$ 5,558,050	\$ 6,606,426		\$ 467,000	

**C. Timing Uncertain budget additions**

Addition of expenditure budgets for projects noted as "timing uncertain" in the Annual Capital Budget where timing subsequently becomes certain.

Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Real Estate & Facilities Management	Kensington Community Centre Childcare	<b>New Annual Capital Expenditure Budget:</b> This project was placed on hold in a prior year, pending the outcome of discussions with stakeholders. It is now anticipated to revisit the project and start some consulting work in fall 2017.	6,809,000	0	6,809,000	0	250,000	250,000		
Real Estate & Facilities Management	Kensington Community Centre Community Hall	<b>New Annual Capital Expenditure Budget:</b> This project was placed on hold in a prior year, pending the outcome of discussions with stakeholders. It is now anticipated to revisit the project and start some consulting work in fall 2017.	1,809,000	0	1,809,000	0	50,000	50,000		
<b>Total - Timing Uncertain budget additions: Project acceleration</b>			\$ 8,618,000	\$ -	\$ 8,618,000	\$ -	\$ 300,000	\$ 300,000		\$ -

Capital Budget Adjustment Requests			BUDGET IMPACT														
			Multi-Year Project Budget			2017 Capital Expenditure Budget											
D. Budget increases/decreases to existing projects/programs																	
Programs/projects where costs or expenditure timing has increased/decreased due to unforeseen changes in market economic conditions or unavoidable changes in project scope; increases in scope afforded by external funding contribution opportunities.																	
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan							
Engineering Services	2016 Sewer Water Combined Connections	<b>Increase to 2015-2018 Capital Plan, Multi-Year Project Budget, and Annual Capital Expenditure Budget:</b> Budget increase to reflect the expected work to be initiated on combined sewer and water connections directly related to the revenues received in advance. These revenues are driven by residential and commercial construction.	11,850,000	1,700,000	13,550,000	10,529,574	1,700,000	12,229,574	User Fees/Property Owners	1,700,000							
Engineering Services	2015-18 New Parking Meters	<b>Increase to 2015-2018 Capital Plan, Multi-Year Project Budget, and Annual Capital Expenditure Budget:</b> Expansion of 1,900 parking meter spaces to growth area to support the delivery of the City's parking management objectives.	500,000	1,600,000	2,100,000	0	1,600,000	1,600,000	Parking Meter Reserve	1,600,000							
Engineering Services	2015-18 Vehicles & Equipment Replacement and Additions	<b>Increase to 2015-2018 Capital Plan and Multi-Year Project Budget; Decrease to Annual Capital Expenditure Budget:</b> <ul style="list-style-type: none"> <li>• Increase to 2015-2018 Capital Plan and multi-year project budget to reflect an increase in the cost estimate included in the current Vehicles &amp; Equipment Replacement Program budget for a planned replacement of an aerial platform fire truck, from \$1.5M to \$3.5M, for the procurement instead of an articulating platform truck which will provide safety and operational efficiencies in VFRS operations.</li> <li>• Decrease to Annual Capital Expenditure Budget to reflect delay in planned procurement of cube vans, dump trucks for Parks and Streets &amp; Electrical Operations, and street pavers due to the complex procurement process and limited resources available to manage procurement for the vehicles.</li> </ul>	43,839,952	2,000,000	45,839,952	17,572,665	(2,568,500)	15,004,165	Plant and Equipment Reserve	2,000,000							

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget			Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
			Current	Change	Proposed	Current	Change	Proposed		
Engineering Services	Multiple Engineering Streets and Electrical Capital Programs	<b>Decrease to Multi-Year Project Budgets and Annual Capital Expenditure Budgets:</b> Reductions in project cost estimates as a result of a reduction in Engineering capital project overhead cost allocation rates in 2017.  <b>NOTE:</b> These project budget reductions totalling \$2 million in debenture funding are in conjunction with the diversion of borrowed funding approved by Council July 25, 2017 (RTS 11831, 2017 Q2 Capital Budget Adjustments and Closeouts) to replace Capital Facilities Reserve funding for an Office Work Space Expansion project with debenture funding.  • 2015-18 Gastown Transportation and Street Rehabilitation • 2015 Downtown Trolley Wire Expansion • 2017 Major Roads Rehabilitation - City • 2015-18 Local Roads Rehabilitation • 2015-18 Sidewalk Rehabilitation • 2015-18 Pedestrian Curb Ramp Program • 2015-17 H-Frame Replacement • 2015-18 Street Lighting Rehabilitation - Major Roads • 2015-18 Street Lighting Rehabilitation - Local Roads • 2015-17 Street Lighting Infill - Local Roads • 2015-18 Street Lighting Infill - Major Roads • 2015-18 Traffic Signal Rehabilitation • 2015-18 Pedestrian & Bike Signal Rehabilitation	38,591,069	(2,000,000)	36,591,069	16,802,752	(2,000,000)	14,802,752	Reallocation of previously approved capital funding (Debenture)	
Engineering Services	800 Robson Plaza Construction	<b>Decrease to Multi-Year Project Budget and Annual Expenditure Budget:</b> This project has been deferred while negotiations for cost sharing with the provincial government are ongoing. Funding to be returned to 2015-2018 Capital Plan.	3,084,270	(2,155,200)	929,070	2,584,270	(2,000,000)	584,270	City-Wide DCL (to be returned to 2015-2018 Capital Plan)	
Engineering Services	Seaside Greenway - Point Grey Road	<b>Decrease to Multi-year Expenditure Budget and Annual Expenditure Budget:</b> The project costs is lower than originally anticipated as a result of the contingency not being used on the project. Funding to be returned to 2015-2018 Capital Plan.	6,400,000	(300,000)	6,100,000	6,800,000	(1,370,000)	5,430,000	City-Wide DCL (to be returned to 2015-2018 Capital Plan)	
Engineering Services	Seaside Greenway - South False Creek	<b>Decrease to Multi-year Expenditure Budget and Annual Expenditure Budget:</b> The project costs is lower than originally anticipated as a result of the contingency not being used on the project. Components of the project is also delayed into 2018 due to contractor delay. Funding to be returned to 2015-2018 Capital Plan.	9,000,000	(524,725)	8,475,275	6,750,000	(1,335,000)	5,415,000	City-Wide DCL (to be returned to 2015-2018 Capital Plan)	

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget			Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
			Current	Change	Proposed	Current	Change	Proposed		
Real Estate & Facilities Management	2017 Capital Maintenance for Park Buildings	<b>Increase to Multi-year Project Budget (funded from 2015-2018 Capital Plan): Decrease to Annual Capital Expenditure Budget:</b> Increase to the 2017 Park Building Capital Maintenance program to reflect higher than expected construction costs for the Stanley Park Pavilion roof replacement.	400,000	400,000	800,000	200,000	(100,000)	100,000	2015-2018 Capital Plan (Parks, Open Spaces & Recreation / New or Expanded Parks) Debtenture	
<i>The following are adjustments to the profile of the 2017 Expenditure Budget reflecting timing changes in the execution of projects. No change to the overall multi-year project budget.</i>										
Engineering Services	Vancouver Landfill Additional Gas Works (Phase 3 Southeast Closure)	<b>Decrease to Annual Capital Expenditure Budget:</b> Project is behind schedule due to the delay in geomembrane installation. The project contractor is deferring 2017 work into 2018 to mitigate the effect of inclement weather expected in the fall of this year.	5,000,000	0	5,000,000	1,000,000	(1,000,000)	0		
Engineering Services	Landfill Western 40 Hectare Closure	<b>Decrease to Annual Capital Expenditure Budget:</b> Project is behind schedule due to the delay in geomembrane installation. The project contractor is deferring 2017 work into 2018 to mitigate the effect of inclement weather expected in the fall of this year.	32,325,000	0	32,325,000	12,500,000	(5,000,000)	7,500,000		
Engineering Services	Landfill Phase 3 Southeast Closure	<b>Decrease to Annual Capital Expenditure Budget:</b> Project is behind schedule due to the delay in geomembrane installation. The project contractor is deferring 2017 work into 2018 to mitigate the effect of inclement weather expected in the fall of this year.	10,950,000	0	10,950,000	11,767,589	(3,714,000)	8,053,589		
Engineering Services	Burrard Bridge Marine Fenders	<b>Decrease to Annual Capital Expenditure Budget:</b> The Burrard Bridge rehabilitation project is behind schedule, resulting in a delay of the marine fender work to 2018 (can only start after the existing Burrard bridge contractor finishes the rehabilitation work).	2,500,000	0	2,500,000	1,000,000	(1,000,000)	0		
Engineering Services	2012-14 Reconstruction Landfill Entrance	<b>Decrease to Annual Capital Expenditure Budget:</b> The soil settling process is taking longer than originally anticipated, resulting in a delay into 2018 for the contractor performing the reconstruction work.	7,820,000	0	7,820,000	4,027,565	(2,000,000)	2,027,565		
Community Services	Kitsilano Montessori Daycare (City contribution to developer-constructed project)	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to happen in 2018. Childcare facility is built as part of new residential development to be turn over to the City once the occupancy permit is issued.	2,545,385	0	2,545,385	2,545,385	(2,545,385)	0	N/A	

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget			Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
			Current	Change	Proposed	Current	Change	Proposed		
Community Services	VSB Community Partnership Program 2011	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures that had been planned for 2017 are now anticipated for 2018.	277,500	0	277,500	17,367	(17,367)	0	N/A	
Community Services	VSB Community Partnership Program 2012-14	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures that had been planned for 2017 are now anticipated for 2018.	194,154	0	194,154	160,056	(160,056)	0	N/A	
Community Services	Cemetery - Perimeter Entry & Wayfinding	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be lower than originally planned due to an extended timeline required for resource planning.	350,000	0	350,000	350,000	(265,000)	85,000	N/A	
Community Services	Community Gardens/ Improvements - ARKS	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are anticipated to be lower than originally planned because new community gardens or community garden improvements in the Arbutus Ridge/ Kerrisdale/Shaugnessy (ARKS) area have yet to be identified and prioritized.	48,000	0	48,000	19,423	(19,423)	0	N/A	
Community Services	Public Art - Centennial Pole Restoration	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are anticipated to be lower than originally planned because the totem pole drying process is taking longer than had been anticipated.	500,000	0	500,000	60,000	(50,000)	10,000	N/A	
Community Services	2015-18 New Public Art Installations	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are anticipated to be lower than budgeted due to a delay in planned installation of artwork at the new nəcəʔmat ct Strathcona branch library as a result of a delay in the opening of the branch.	1,906,000	0	1,906,000	1,000,000	(665,637)	334,363	N/A	
Community Services	2015-18 Maintenance of Existing Public Art	<b>Increase to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be higher than budgeted as a result of higher than estimated labour and material costs. As well, each public art piece is individual and unique, and therefore it can be challenging to estimate the amount and type of work that will be required in any given year.	325,000	0	325,000	99,072	61,396	160,468	N/A	
Community Services	Grant - Qmunity	<b>Decrease to Annual Capital Expenditure Budget:</b> Payment of the remaining portion of the grant that was planned for 2017 is now expected in 2018, as the grant recipient is requiring more time than anticipated to fulfil the grant conditions.	200,000	0	200,000	100,000	(100,000)	0	N/A	

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Community Services	Gordon Neighbourhood House Grant	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are expected to be less than budgeted as the neighbourhood house renovations are progressing slower than anticipated.	1,100,000	0	1,100,000	733,334	(733,334)	0	N/A	
Community Services	Social Policy Small Capital Grants 2017	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures for 2017 will be less than originally planned as the recommended grant allocation approvals are scheduled for fall 2017 with disbursements to follow in 2018, 2019, and/or 2020. (Capital grant awards include conditions which must be met by the recipient before the grant can be disbursed. Recipients have up to three years to satisfy these conditions.)	100,000	0	100,000	100,000	(75,000)	25,000	N/A	
Community Services	Capital Grant - Little Mountain Neighbourhood House	<b>Decrease to Annual Capital Expenditure Budget:</b> Grant disbursements that had been expected in 2017 are now forecast for 2019.	3,145,344	0	3,145,344	1,250,000	(1,250,000)	0	N/A	
Community Services	Queen Elizabeth Theatre Rigging Replacement	<b>Decrease to Annual Capital Expenditure Budget:</b> A part of this project could not be completed in 2017 as originally planned, due to scheduled theatre bookings. The work has been delayed until an opening in the theatre schedule becomes available, anticipated summer 2018.	1,604,250	0	1,604,250	284,250	(61,250)	223,000	N/A	
Community Services	Queen Elizabeth Theatre Base Building Improvements	<b>Decrease to Annual Capital Expenditure Budget:</b> Renovation work that had been planned for 2017 has been deferred to 2018 to accommodate lease negotiations and the building permitting process.	350,000	0	350,000	350,000	(350,000)	0	N/A	
Community Services	Grant - Satellite Video Exchange Society (C-Space & VIVO) <i>[Mount Pleasant Artist Production Spaces - Rize Alliance CAC Allocation]</i>	<b>Decrease to Annual Capital Expenditure Budget:</b> This capital grant supporting artist production spaces in the Mount Pleasant neighbourhood that was anticipated to be disbursed in 2017 is now on hold while the non-profit organizations finalize their facilities planning.	2,300,000	0	2,300,000	2,200,000	(2,200,000)	0	N/A	
Planning, Urban Des & Sustain	DTES Neighbourhood Improvements	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 for this program are now anticipated to be less than originally planned as community partners will not be able to initiate as many projects as had been estimated for the year. Staff are continuing to work with the community partners to help them move projects forward.	595,906	0	595,906	517,246	(400,000)	117,246	N/A	

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget			Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
			Current	Change	Proposed	Current	Change	Proposed		
Planning, Urban Design & Sustainability	2012-14 Façade Rehabilitation Grants	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 for this program are now anticipated to be less than originally planned as a number of the non-profit groups require assistance in completing the grant applications. DTES staff are working with applicants to ensure they meet the grant application requirements.	400,000	0	400,000	200,000	(150,000)	50,000		
Planning, Urban Design & Sustainability	2017-18 Façade Rehabilitation Grants	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 for this program are now anticipated to be less than originally planned as a number of the non-profit groups require assistance in completing the grant applications. DTES staff are working with applicants to ensure they meet the grant application requirements.	200,000	0	200,000	100,000	(100,000)	0		
Planning, Urban Design & Sustainability	Facade Grant - 265 Carrall Street	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures for 2017 are now anticipated to be less than originally planned, as grant recipients have not yet been able to complete requirements for release of the grant funding.	100,000	0	100,000	100,000	(100,000)	0		
Planning, Urban Design & Sustainability	Facade Grant - 488 Carrall Street	<b>Decrease to Annual Capital Expenditure Budget:</b> The related property for this heritage façade rehabilitation grant has had a change in ownership. The new owner has not yet made a decision on continuing with the façade renovations, and as a result the grant is on hold pending the decision.	50,000	0	50,000	49,942	(49,942)	0		
Planning, Urban Design & Sustainability	Facade Grant - 1 West Hastings Street	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures for 2017 are now anticipated to be less than originally planned, as grant recipients have not yet been able to complete requirements for release of the grant funding.	100,000	0	100,000	100,000	(100,000)	0		
Planning, Urban Design & Sustainability	Grant - Atira (420 Hawks Avenue Amenity Space)	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures for 2017 are now anticipated to be less than originally planned, as grant recipients have not yet been able to complete requirements for release of the grant funding.	100,000	0	100,000	100,000	(100,000)	0		
Planning, Urban Design & Sustainability	Emerging Initiatives Oppenheimer	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 for this program are now anticipated to be less than originally planned as community partners will not be able to initiate as many projects as had been estimated for the year. Staff are continuing to work with the community partners to help them move projects forward.	603,146	0	603,146	144,283	(118,533)	25,750		

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget			Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
			Current	Change	Proposed	Current	Change	Proposed		
Planning, Urban Design & Sustainability	DTES Community Asset Management	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 for this program are now anticipated to be less than originally planned as community partners will not be able to initiate as many projects as had been estimated for the year. Staff are continuing to work with the community partners to help them move projects forward.	1,115,105	0	1,115,105	768,005	(200,000)	568,005		
Planning, Urban Design & Sustainability	DTES Capital Program	<b>Decrease in Annual Capital Expenditure Budget:</b> Expenditures in 2017 for this program are now anticipated to be less than originally planned as community partners will not be able to initiate as many projects as had been estimated for the year. Staff are continuing to work with the community partners to help them move projects forward.	400,000	0	400,000	350,000	(90,000)	260,000		
Real Estate & Facilities Management	Replacement of Fire Hall No. 5 (including Social Housing component)	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are anticipated to be lower than originally planned reflecting slower than expected construction progress as a result of site conditions and complexities of structural works.	21,738,000	0	21,738,000	9,500,000	(3,500,000)	6,000,000		
Real Estate & Facilities Management	Lord Tennyson Elementary School Childcare	<b>Increase to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be higher than originally planned as design consulting work is progressing faster than expected.	8,500,000	0	8,500,000	300,000	250,000	550,000		
Real Estate & Facilities Management	Lord Nelson Elementary School Childcare	<b>Decrease to Annual Capital Expenditure Budget:</b> This childcare project is a City/Vancouver School Board (VSB) partnership project managed by VSB. Expenditures in 2017 are now anticipated to be lower than originally planned due to a later than expected start of construction. The project is anticipated to complete in fall 2018.	6,500,000	0	6,500,000	3,250,000	(1,200,000)	2,050,000		
Real Estate & Facilities Management	Sir Sandford Fleming Elementary School Childcare	<b>Decrease to Annual Capital Expenditure Budget:</b> This childcare project is a City/Vancouver School Board (VSB) partnership project managed by VSB. Expenditures in 2017 are now anticipated to be lower than originally planned due to an extended timeline required for finalizing the partnership agreement, which in turn delayed the timing of the construction tendering by VSB. It is anticipated that construction will start in late 2017, with completion in 2019.	8,500,000	0	8,500,000	2,050,000	(1,250,000)	800,000		

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget			Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
			Current	Change	Proposed	Current	Change	Proposed		
Real Estate & Facilities Management	Childcare at Gastown Parkades	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting a longer than expected planning process to accommodate an expansion in the project scope to include two childcare facilities instead of only one.	4,500,000	0	4,500,000	1,200,000	(600,000)	600,000		
Real Estate & Facilities Management	VPD Office Renovation - Phase 2	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be lower than originally planned, reflecting a longer than expected planning process which delayed the timing of construction tendering and contract award. Anticipate to complete project in spring 2018.	1,098,000	0	1,098,000	748,000	(450,000)	298,000		
Real Estate & Facilities Management	Burrard Marina Upgrades	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be lower than originally planned due to revised timeline for the replacement of the marina floats, which will now start in late 2017 with completion in spring 2018.	3,350,000	0	3,350,000	1,900,000	(500,000)	1,400,000		
Real Estate & Facilities Management	Capital Maintenance for Property Acquired for Cultural Facility	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures planned for 2017 are now anticipated in 2018, reflecting a longer than expected building-use planning process that will now delay the start of construction.	816,000	0	816,000	182,000	(182,000)	0		
Real Estate & Facilities Management	Marpole Place Building Upgrades	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be lower than originally planned due to a later than planned start of construction and a revised timeline for completion.	2,992,200	0	2,992,200	1,386,381	(400,000)	986,381		
Real Estate & Facilities Management	Kitsilano Pool Structural and Mechanical Upgrades	<b>Increase to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be higher than originally planned, reflecting higher than expected construction costs, a modification to the project scope to accommodate weather protection scaffolding, and an accelerated project schedule.	1,500,000	0	1,500,000	800,000	400,000	1,200,000		
Real Estate & Facilities Management	2017 Capital Maintenance for Recreation Facilities	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures for this capital maintenance program for 2017 will be less than originally planned as a result of project repriorizations and a reallocation of program funding to the Kitsilano Pool Structural and Mechanical Upgrades project.	1,000,000	0	1,000,000	700,000	(200,000)	500,000		

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget			Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
			Current	Change	Proposed	Current	Change	Proposed		
Real Estate & Facilities Management	2015-16 Capital Maintenance for Recreation Facilities	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures for this capital maintenance program for 2017 will be less than originally planned as a result of project repriorizations and a reallocation of program funding to the Kitsilano Pool Structural and Mechanical Upgrades project.	6,000,000	0	6,000,000	1,860,894	(800,000)	1,060,894		
Real Estate & Facilities Management	2017 Capital Maintenance - Entertainment & Exhibition	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting an extended timeline required for the planning process, which shifted the planned timing of design consulting and contract tendering.	1,000,000	0	1,000,000	500,000	(250,000)	250,000		
Real Estate & Facilities Management	2015/16 Capital Maintenance for Library Facilities	<b>Increase to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be higher than originally planned due to a higher than planned volume of capital maintenance requests this year.	1,156,316	0	1,156,316	479,166	380,000	859,166		
Real Estate & Facilities Management	Park Washrooms Renewal	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting an extended timeline required for the planning process, which shifted the planned timing of design consulting and contract tendering.	2,200,000	0	2,200,000	750,000	(400,000)	350,000		
Real Estate & Facilities Management	Park Field House Upgrades	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting a longer than expected planning process that delayed contract tendering.	531,000	0	531,000	531,000	(200,000)	331,000		
Real Estate & Facilities Management	Vancouver Art Gallery Plaza Extension to Hornby Block 51	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting a longer than expected planning process that delayed the start of the design consulting phase.	1,200,000	0	1,200,000	500,000	(300,000)	200,000		
Real Estate & Facilities Management	2015-16 Fieldhouse Renovations/Upgrades	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures that had been planned for 2017 are now expected in 2018, reflecting a longer than expected timeline required for prioritizing fieldhouse renovations/upgrades.	500,000	0	500,000	315,815	(315,815)	0		
Real Estate & Facilities Management	Marpole Community Centre Redevelopment Planning	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting an extended timeline for the planning process with stakeholders.	2,000,000	0	2,000,000	500,000	(350,000)	150,000		

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget			Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
			Current	Change	Proposed	Current	Change	Proposed		
Real Estate & Facilities Management	2017 Recreation Facilities Renovation	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting a longer than expected planning process with stakeholders to prioritize recreation facility renovation projects.	1,200,000	0	1,200,000	500,000	(300,000)	200,000		
Real Estate & Facilities Management	Britannia Community Services Centre Redevelopment Phase 1 Planning	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting an extended timeline for the planning process with stakeholders.	3,000,000	0	3,000,000	500,000	(150,000)	350,000		
Real Estate & Facilities Management	City Hall Facilities Planning	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting an extended timeline for the planning process with stakeholders.	620,000	0	620,000	550,000	(200,000)	350,000		
Real Estate & Facilities Management	2017 Capital Maintenance for Cultural Facilities	<b>Decrease to Annual Capital Expenditure Budget:</b> Some expenditures that were planned for 2017 will shift to 2018 as some projects are still in the design phase, with construction anticipated in 2018.	750,000	0	750,000	400,000	(250,000)	150,000		
Real Estate & Facilities Management	2017 Capital Maintenance for VPD Facilities	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting an extended timeline required for the planning process, which has shifted the planned timing of design consulting and contract tendering.	800,000	0	800,000	450,000	(300,000)	150,000	N/A	
Real Estate & Facilities Management	2015-17 Seismic Program	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting a longer than expected planning process required to prioritize facilities for structural and non-structural seismic study.	1,243,333	0	1,243,333	802,312	(400,000)	402,312	N/A	
Real Estate & Facilities Management	Manitoba Yards Fuel Tank Replacement	<b>Decrease to Annual Capital Expenditure Budget:</b> Expenditures in 2017 are now anticipated to be less than originally planned, reflecting an extended timeline required for the planning process, which has shifted the planned timing of design consulting.	800,000	0	800,000	500,000	(400,000)	100,000	N/A	
<b>Total - Budget Increases/Decreases to Existing Projects/Programs</b>			\$ 274,364,930	\$ 720,075	\$ 275,085,005	\$ 134,388,346	\$ (40,494,846)	\$ 93,893,500		\$ 5,300,000

Capital Budget Adjustment Requests			BUDGET IMPACT													
			Multi-Year Project Budget			2017 Capital Expenditure Budget										
E. Reallocations																
Reallocation of funding between existing projects reflecting revised priorities and/or cost estimates, and or reallocations of funding sources.																
Department To / From	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan						
Community Services	Non-Market Housing Grant Program	<b>Increase to Multi-Year Project Budget (Reallocation):</b> Reallocation of funding from cancelled non-market housing grants to the 2015-18 Non-Market Housing Grants program.	2,970,000	1,000,000	3,970,000	0	0	0	0 Reallocation of previously approved capital funding (Capital from Revenue; City-Wide DCL)	City-Wide DCL						
	Grant Metro Housing (Regal Hotel)	<b>Decrease to Multi-Year Project Budget (Reallocation) and Annual Capital Expenditure Budget:</b> Grant to Metro Vancouver Housing Corporation (Metro) toward capital improvements of the Metro-owned Regal Hotel was approved as part of the 2014 Capital Budget. The capital improvements have since been completed and the grant is no longer required. With this grant cancellation and budget reallocation, this budget is deemed to be closed.	200,000	(200,000)	0	200,000	(200,000)	0	0 Reallocation of previously approved capital funding (Capital from Revenue)	City-Wide DCL						
	SRO Upgrading Grant - May 2016	<b>Decrease to Multi-Year Project Budget (Reallocation) and Annual Capital Expenditure Budget:</b> This grant is no longer required because negotiations with the recipient organization to lease the building proved unsuccessful and the building was ultimately sold to a private owner. With this recommended grant cancellation and budget reallocation, this budget is deemed to be closed.	450,000	(450,000)	0	450,000	(450,000)	0	0 Reallocation of previously approved capital funding (City-Wide DCL)	City-Wide DCL						
	Grant - Atira Women's Resource Society (Supportive housing at Commercial & Venables development)	<b>Decrease to Multi-Year Project Budget (Reallocation) and Annual Capital Expenditure Budget:</b> This grant was no longer required as the current use of the site (now a partnership between Kettle Friendship Society and Boffo Properties) has changed from when this grant was approved in 2014 and therefore the grant is no longer applicable. With this recommended grant cancellation and budget reallocation, this budget is deemed to be closed.	350,000	(350,000)	0	350,000	(350,000)	0	0 Reallocation of previously approved capital funding (Capital from Revenue)	City-Wide DCL						

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department To / From	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Real Estate & Facilities Management	2017 Fire Hall Renovations	<b>Increase to Multi-Year Project Budget (Reallocation):</b> Increase to the 2017 Fire Hall Renovations program to cover higher than planned renovation costs at Fire Hall No. 2 reflecting additions to the project scope necessary to meet Vancouver Fire & Rescue Services operational needs.	150,000	517,540	667,540	150,000	0	150,000	Reallocation of previously approved capital funding (Debenture)	
	2015-16 Fire Hall Renovations/Upgrades	<b>Decrease to Multi-Year Project Budget (Reallocation):</b> This program budget included funding for work planned for Fire Hall No. 2. This adjustment is to reallocate this portion of the 2015-16 program funding to the Fire Hall No. 2 project in the 2017 program.	700,000	(200,000)	500,000	431,868	0	431,868	Reallocation of previously approved capital funding (Debenture)	
	2013 Truck Shelter for Heavy Apparatus	<b>Decrease to Multi-Year Project Budget (Reallocation):</b> The heavy apparatus truck shelter project is on hold pending completion of Fire Hall No. 1 redevelopment planning; this funding is therefore available for reallocation to the 2017 Fire Hall Renovations program budget to accommodate the budget increase required for the renovations to Fire Hall No. 2 as described above. The truck shelter will be included for scope consideration in the Fire Hall No. 1 redevelopment planning. With this reallocation, this truck shelter project budget is deemed to be closed.	250,000	(250,000)	0	0	0	0	Reallocation of previously approved capital funding (Debenture)	
	Fire Hall Hose Testing and Equipment	<b>Decrease to Multi-Year Project Budget (Reallocation):</b> Projects that had been planned under this program are complete and no further projects have been identified; remaining funding is available for reallocation to the 2017 Fire Hall Renovations program budget. With this reallocation, this project budget is deemed to be closed.	100,000	(38,796)	61,204	0	0	0	Reallocation of previously approved capital funding (Debenture)	
	Fire Hall Soil Remediation	<b>Decrease to Multi-Year Project Budget (Reallocation):</b> Projects that had been planned under this program are complete and no further projects have been identified; remaining funding is available for reallocation to the 2017 Fire Hall Renovations program budget. With this reallocation, this project budget is deemed to be closed.	50,000	(28,744)	21,256	0	0	0	Reallocation of previously approved capital funding (Debenture)	

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department To / From	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget			Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
			Current	Change	Proposed	Current	Change	Proposed		
Real Estate & Facilities Management	2015-16 Social Facilities Renovation	<b>Increase to Multi-Year Project Budget (Reallocation) and Decrease to Annual Capital Expenditure Budget:</b> • Increase to the 2015-16 Social Facilities Renovation program budget to cover the higher than expected construction costs for renovations/upgrades to the kitchen facility at Carnegie Centre. • Decrease to 2017 capital expenditure budget to reflect a shift in the planned timing for construction from 2017 to 2018.	1,943,868	392,000	2,335,868	995,641	(400,000)	595,641	Reallocation of previously approved capital funding (Debenture)	
	2017 Social Facilities Renovations	<b>Decrease to Multi-Year Project Budget (Reallocation) and Annual Capital Expenditure Budget:</b> Projects that had been planned under this program have been reprioritized, with some projects deferred to the 2018 Social Facilities Renovations program; the remaining funding in the 2017 program is available for reallocation to the 2015-16 Social Facilities Renovations program budget to accommodate the budget increase required for the kitchen renovations to Carnegie Centre as described above.	500,000	(392,000)	108,000	200,000	(160,000)	40,000	Reallocation of previously approved capital funding (Debenture)	
Real Estate & Facilities Management	Office Space Renovation - Homeless Outreach Team	<b>Increase to Multi-Year Project Budget (Reallocation):</b> Increase in multi-year project budget to cover additional renovations scope for the relocation of the City's Homeless Outreach team from temporary office space to leased office space in order to better accommodate the team's ongoing operational needs.	300,000	100,000	400,000	250,000	0	250,000	Reallocation of previously approved capital funding (Debenture)	
	2015-16 Capital Maintenance for Social Facilities	<b>Decrease to Multi-Year Project Budget (Reallocation):</b> Projects that had been planned under this program are complete and no further projects have been identified; remaining funding is available for reallocation to the Office Space Renovation Homeless Outreach Team budget to accommodate the budget increase required for a change in the office space renovations scope.	824,800	(100,000)	724,800	257,020	0	257,020	Reallocation of previously approved capital funding (Debenture)	
Real Estate & Facilities Management	2017 Capital Maintenance for Market Rental Housing	<b>Increase to Multi-Year Project Budget (Reallocation):</b> Increase in multi-year project budget to address a higher than anticipated cost for a rental housing building roof replacement.	150,000	150,000	300,000	150,000	0	150,000	Reallocation of previously approved capital funding (Debenture)	
	2015-16 Capital Maintenance for Non Market Housing	<b>Decrease to Multi-Year Project Budget (Reallocation):</b> Projects that had been planned under this program are nearing completion; the funding remaining in this program is available for reallocation to the 2017 Capital Maintenance Market Rental Housing program budget to accommodate a budget increase required to address cost escalation in one of the projects in the program.	643,912	(150,000)	493,912	143,797	0	143,797	Reallocation of previously approved capital funding (Debenture)	

Capital Budget Adjustment Requests			BUDGET IMPACT							
Department To / From	Project Name	Reason for Adjustment	Multi-Year Project Budget			2017 Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi- Year Project Budget	Addition to 2015-2018 Capital Plan
Engineering Services	Snow Readiness Capital Improvements <i>To be renamed to "Snow Readiness Capital Improvements - CCTV Traffic Monitoring"</i>	<b>Decrease to Multi-Year Project Budget (Reallocation) and Annual Capital Expenditure Budget:</b> Reallocate two components of the Snow Readiness Capital Improvements multi-year project budget to separate project budgets for Vehicles & Equipment and Service Yard Upgrades. This project budget will now include only the CCTV traffic monitoring component.	4,302,000	(3,802,000)	500,000	1,786,000	(1,786,000)	0	Reallocation of previously approved capital funding (Debenture; Translink OMR Reserve - Non-Pavement Rehab)	
	Snow Readiness Capital Improvements - Vehicles and Equipment	<b>New Multi-Year Project Budget (Reallocation) and Annual Capital Expenditure Budget:</b> Reallocation of the Vehicles and Equipment component of the Snow Readiness Capital Improvements multi-year project budget to a separate project budget.	0	2,516,000	2,516,000	0	768,500	768,500	Reallocation of previously approved capital funding (Debenture)	
	Snow Readiness Capital Improvements - Service Yard Upgrades	<b>New Multi-Year Project Budget (Reallocation) and Annual Capital Expenditure Budget:</b> Reallocation of the Service Yard Upgrades component of the Snow Readiness Capital Improvements multi-year project budget to a separate project budget.	0	1,286,000	1,286,000	0	150,000	150,000	Reallocation of previously approved capital funding (Debenture)	
<b>Total - Reallocations</b>			\$ 13,884,580	\$ -	\$ 13,884,580	\$ 5,364,326	\$ (2,427,500)	\$ 2,936,826		\$ -
<b>Total Capital Budget Adjustment Requests</b>			\$ 314,793,811	\$ 6,420,125	\$ 321,213,936	\$ 143,163,230	\$ (37,064,296)	\$ 106,098,934		\$ 5,767,000

<b>Appendix 2 - Q3 2017 Capital Closeouts</b>					
Project/Program Name	Budget	Actuals	Surplus (Deficit)	%	Closeout Variance Explanation (Required for variances > \$50,000 and 15% of budget)
<b>Community Services</b>					
New Public Art 2012-2014	250,000	250,000	-	0%	
Grant - Firehall Theatre Society (Final Payment)	12,500	12,500	-	0%	
Grant - Performing Arts Lodge (Final Payment)	22,250	22,250	-	0%	
<b>Community Services Total</b>	<b>284,750</b>	<b>284,750</b>	-	0%	
<b>Parks and Recreation</b>					
Park Land Acquisition (June 2017)	1,475,000	1,475,000	-	0%	
Empire Fields Retaining Wall	550,000	545,860	4,140	1%	
Beaver Lake Restoration	100,000	99,800	200	0%	
<b>Parks and Recreation Total</b>	<b>2,125,000</b>	<b>2,120,660</b>	<b>4,340</b>	<b>0%</b>	
<b>Real Estate &amp; Facilities Management</b>					
2015 -18 Capital Maintenance for Animal Control Facilities	340,000	333,721	6,279	2%	
Fire Hall Optimization Studies	300,000	288,192	11,808	4%	
VPD Office Renovations/Moves	1,430,000	1,393,240	36,760	3%	
Crossroads 5th & 7th Floor Densification	680,000	662,810	17,190	3%	
Seymour Street Site for Social Housing	4,900,660	4,900,660	-	0%	
<b>Real Estate &amp; Facilities Management Total</b>	<b>7,650,660</b>	<b>7,578,623</b>	<b>72,037</b>	<b>1%</b>	
<b>Technology Services</b>					
PCI V3 Compliance	1,350,000	1,272,459	77,541	6%	
VPL Web CMS Responsive Replacement	100,000	102,649	(2,649)	-3%	
2015-16 Client Hardware Refresh Program	3,000,000	2,028,310	971,690	32%	
HR SAP Enhancement Assessment	200,000	87,735	112,265	56%	
Contract Lifecycle Management	1,090,000	276,712	813,288	75%	
Grants Management	150,000	-	150,000	100%	
Legislative & Meeting Management Solution	200,000	18,837	181,163	91%	
Major Case Management System	565,000	71,403	493,597	87%	
Utility Billing Improvements	100,000	46,526	53,474	53%	
<b>Technology Services Total</b>	<b>6,755,000</b>	<b>3,904,631</b>	<b>2,850,369</b>	<b>42%</b>	
<b>Total Q3 2017 Capital Closeouts</b>	<b>16,815,410</b>	<b>13,888,664</b>	<b>2,926,746</b>	<b>17%</b>	

Budget Status at Completion (# of projects/programs)	Budget	Actual	Surplus (Deficit)	%
Surplus greater than \$50K & 15% (7)	5,305,000	2,529,523	2,775,477	0%
Deficit greater than \$50K & 15% (0)	0	0	0	0%
Surplus/deficit less than \$50K & 15% (13)	11,510,410	11,359,141	151,269	1%
<b>TOTAL (20 projects/programs)</b>	<b>16,815,410</b>	<b>13,888,664</b>	<b>2,926,746</b>	<b>17%</b>

<b>Proposed Allocation of Closeout Surpluses:</b>		
<b>From</b>	<b>To</b>	<b>Amount</b>
<b>Parks and Recreation</b>		
Empire Fields Retaining Wall closeout surplus	Citywide Unallocated from Closeouts	4,140
Beaver Lake Restoration closeout surplus	DCL (remove commitment from reserve)	200
<b>Parks and Recreation net closeout surplus</b>		\$ 4,340
<b>Real Estate &amp; Facilities Management</b>		
Net Real Estate & Facilities Management closeout surplus	Citywide Unallocated from Closeouts	72,037
<b>Real Estate &amp; Facilities Management net closeout surplus</b>		\$ 72,037
<b>Technology Services</b>		
Human Resources SAP Enhancement Assessment closeout surplus	IT Reserve (remove commitment from reserve)	112,265
Net remaining Technology Services closeout surplus	Citywide Unallocated from Closeouts	2,738,104
<b>Technology Services net closeout surplus</b>		\$ 2,850,369
<b>Net closeout surplus for Q3 2017 Capital Closeouts</b>		\$ 2,926,746