



ADMINISTRATIVE REPORT

Report Date: February 16, 2016
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VanRIMS No.: 08-2000-20
Meeting Date: March 8, 2016

TO: Vancouver City Council
FROM: Director of Finance
SUBJECT: 2016 Capital Budget Adjustments and 2015 Q4 Closeouts

RECOMMENDATION

- A. THAT Council approve adjustments to the Multi-Year Capital Projects Budget totalling \$2.3 million as outlined in Appendix 1, with no change to the 2016 Annual Capital Expenditure Budget.
- B. THAT, as part of the quarterly Capital Budget closeout process, Council approve the closeout of completed capital projects with variances exceeding both \$50,000 and 15% of the approved multi-year capital project budget as outlined in this report and in Appendix 2.

REPORT SUMMARY

On December 17, 2015, Council approved the 2016 Capital Budget, including new multi-year capital projects, bringing the total approved multi-year capital budget for open projects to \$1.213 billion (including the multi-year projects completed in Q4 2015 presented for closeout in this report) and a 2016 Annual Capital Expenditure Budget of \$325.2 million.

This report recommends budget adjustments to the Multi-Year Capital Projects Budget totaling \$2.3 million, with no change to the 2016 Annual Capital Expenditure Budget. The multi-year project budget adjustments represent capital priorities identified subsequent to the approval of the 2016 Capital Budget.

In addition, in conjunction with the quarterly Capital Budget review process, Council approval is being requested to close 41 programs/projects completed in Q4 2015, with a total multi-year capital project budget of \$163.5 million and a net surplus of \$0.8 million (1%) as outlined in Appendix 2.

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. The Capital Plan was subsequently adjusted to reflect a change in cost allocation methodology for corporate shared services implemented with the 2015 Operating and Capital Budget to better reflect the cost of the City's Capital Program (\$10.8 million), and to include user-fee funded utilities connections programs in the Capital Plan (\$20.0 million). With these adjustments, the revised 2015-2018 Capital Plan is currently \$1.116 billion.

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, 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.

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. Section 245 requires that the borrowing authority for all other purposes be established through the electorate's approval of a borrowing plebiscite.

The requirement to borrow funds to finance capital expenditures is established by Council at the time of the approval of the annual capital 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 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 project 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, as it provides the authority to proceed with specific programs/projects, and defines the approved multi-year project budget and annual expenditure for capital work. 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 may include:

- 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;
- Revisions to funding sources.

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

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 2015 Fourth Quarter/Year End Capital Budget Review provides details of the 2015 Capital results, while this report focuses on 2016 Capital Budget adjustments and Q4 2015 capital closeouts recommended by staff for Council approval.

REPORT

Background/Context

On December 17, 2015, Council approved a 2016 Annual Capital Expenditure Budget of \$325.2 million. Budget adjustments are generally managed within the approved annual budget envelope, with no changes to the overall Annual Capital Budget.

As part of the capital budgeting process, proposed adjustments to the current Capital Budget and closeout of completed projects requiring Council approval are identified in the quarterly capital budget review and reported to Council for approval. Budget adjustments and project closeouts are presented to Council quarterly. This report includes adjustment requests to the Multi-Year Capital Projects Budget and closeout requests for projects completed in the fourth quarter (Q4) of the City's 2015 financial year.

Strategic Analysis

A. 2016 Capital Budget Adjustments

As part of the on-going work and oversight related to the Capital Budget, staff continually review priorities, respond to emerging needs, and where appropriate bring forward recommendations for adjustment to the Capital Budget at the time of quarterly reports. 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 Capital Plan/Capital Budget cycle;
- Timing uncertain budget additions/acceleration of projects;
- Budget increases or decreases to existing projects/programs based on scope changes, results of tendering or changes in cost structure of a project, or changing priorities for timing of a project;
- Reallocations between projects with no impact on the overall annual or multi-year budget.

The 2015-2018 Capital Plan has a current total of \$1.116 billion and covers projects across all City departments and agencies. With the approval of the 2016 Capital Budget on December 17, 2015, the current total approved multi-year capital budget for open projects (including the projects completed in Q4 2015 presented for closeout in this report) is \$1.213 billion. This report proposes a net increase of \$2.3 million to the total open multi-year capital projects budget:

- Addition of \$1.2 million for the ongoing, annual program covering the cost of Real Estate & Facilities Management (REFM) staff providing facilities planning support for the City's capital program, allocated from the 2015-2018 Capital Plan. This program was formerly included in the Operating Budget but is now included in the Capital Budget, reflecting a change in cost allocation methodology for corporate shared services first implemented with the 2015 Budget to better reflect the cost of the City's Capital Program. The program was included in the 2015 Capital Budget but was inadvertently omitted in the 2016 Capital Budget.

- Addition of \$0.6 million for a Chinatown street lighting project approved by Council in July 2014, funded from a combination of existing City capital funding and external fundraising. The project was subject to the results of the external fundraising and was categorized as timing uncertain at the time – the fundraising has now progressed sufficiently for the project to commence and therefore be added to the multi-year capital projects budget.
- Addition of \$0.5 million to the 2016 multi-year capital project budget for Marine Structures and Studies, allocated from the 2015-2018 Capital Plan, in order to award a construction contract in Q1 2016 for construction to complete before the start of the summer boating season.

All expenditures relating to these multi-year capital project budget adjustments will be managed within the overall 2016 Capital Expenditure Budget of \$325.2 million.

Appendix 1 provides details for these adjustments, as well as several funding source adjustments and an administrative budget consolidation.

Table 1 below summarizes changes to the Multi-Year Capital Projects Budget as a result of the proposed adjustments.

| Adjustment Category | Budget Impact | |
|------------------------------------------------------------------------------------------------------------|------------------------------------------------|----------------------------------------|
| | Multi-Year Projects Budget (for Open Projects) | 2016 Annual Capital Expenditure Budget |
| A. Administrative consolidations and restatements | \$ - | \$ - |
| B. Emerging priority projects | - | - |
| C. Timing uncertain budget additions / acceleration of projects | 600 | - |
| D. Budget increases/decreases to existing projects/programs | 1,660 | - |
| E. Reallocations | - | - |
| Total Proposed Multi-Year Projects Budget Adjustments / 2016 Annual Capital Expenditure Budget Adjustments | \$ 2,260 | \$ - |
| Total Proposed 2016 Annual Capital Expenditure Budget Offsets | | \$ - |
| Proposed Change in Multi-Year Projects Budget / 2016 Annual Capital Expenditure Budget | \$ 2,260 | \$ - |
| Current Approved Total 2016 Annual Capital Expenditure Budget | | \$ 325,240 |
| Proposed Revised Total 2016 Annual Capital Expenditure Budget | | \$ 325,240 |

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.

With the approval of the 2016 Capital Budget on December 17, 2015, the current total approved multi-year capital budget for open projects (including the projects presented for closeout approval in this report) is \$1.213 billion. The proposed revised total reflecting Q4

project/program closeouts and multi-year project budget adjustments recommended in this report is \$1.051 billion.

| | Multi-Year Capital Projects Budget |
|-------------------------------------------------------|------------------------------------|
| Multi-Year Projects Budget for open projects, current | \$ 1,212.6 |
| Proposed 2015 Q4 Closeouts | (163.5) |
| Proposed Multi-Year Project Budget Adjustments | 2.3 |
| Proposed Revised Multi-Year Projects Budget | \$ 1,051.4 |

B. 2015 Q4 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 41 programs/projects with multi-year capital project budgets totalling \$163.5 million and expenditures of \$162.7 million were completed in the period between the 2015 Q3 Capital Closeout (RTS 10898) and the end of the fourth quarter of 2015 (December 31, 2015), with a net surplus of \$0.8 million.

Appendix 2 provides a summary of the proposed allocation (funding sources) of project/program closeout surpluses (deficits).

Three of the 41 completed programs/projects had a completion variance exceeding both \$50,000 and 15% of the approved multi-year capital projects budget. Appendix 2 provides explanations for significant surpluses/ deficits as well as financial details, by project and department, for programs/projects closed in Q4 2015.

CONCLUSION

As part of the capital budgeting process, adjustments to 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 funding and budget adjustments to the Multi-Year Capital Projects Budget totaling \$2.3 million, with no change to the 2016 Annual Capital Expenditure Budget of \$325.2 million.

This report also requests Council approval for the closeout of 41 programs/projects, including three projects with completion variances exceeding 15% and \$50,000 of the approved multi-year capital projects budget.

| Capital Budget Adjustment Requests | | | | | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------|---------------------|---------------------------------|-------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | BUDGET IMPACT | | | | | | |
| | | | Multi-Year Capital Project Budget | | | 2016 Capital Expenditure Budget | | | |
| A. Administrative consolidation, restatements, or funding source changes | | | | | | | | | |
| 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 |
| Funding source changes: | | | | | | | | | |
| Real Estate & Facilities Management | Creekside Paddling Centre | Change in multi-year project budget funding source: When the Creekside Paddling Centre project was originally approved, the funding source was a \$3.2 million Community Amenity Contribution (CAC) from the rezoning of 998 Expo Boulevard. Additional funding sources were subsequently identified; consequently, the funding sources for this project are proposed to be adjusted as follows: • \$1 million donation from Concord Pacific; • \$1.46 million CAC from the rezoning of 68 Smithe Street; and • \$0.74 million CAC from the rezoning of 998 Expo Boulevard. | 3,200,000 | 0 | 3,200,000 | 158,408 | 0 | 158,408 | Addition: • Donation \$1 million; • CAC from rezoning of 68 Smithe Street \$1.46 million Reduction: • CAC from rezoning of 998 Expo Boulevard \$2.46 million |
| Real Estate & Facilities Management | Accessibility Improvement | Change in multi-year project budget funding source: A grant of \$50,000 was received from the Government of Canada Enabling Accessibility Fund for improving accessibility at pools. This adjustment request is to substitute existing project debenture funding with this grant funding. | 250,000 | 0 | 250,000 | 100,000 | 0 | 100,000 | Addition: External (Government of Canada - Enabling Accessibility Fund) \$50,000 Reduction: Debenture \$50,000 |
| Real Estate & Facilities Management | 2015-18 Capital Maintenance - Park Buildings | Change in multi-year project budget funding source: A grant commitment of \$100,000 has been received from Parks Canada's National Historic Sites Cost-Sharing Program for the rehabilitation of the Sun Yat-Sen Garden Jade Pavilion. This adjustment request is to substitute existing project debenture funding with this grant funding. | 2,000,000 | 0 | 2,000,000 | 748,493 | 0 | 748,493 | Addition: External (Parks Canada's National Historic Sites Cost-Sharing Program) \$100,000 Reduction: Debenture \$100,000 |
| Administrative consolidation: | | | | | | | | | |
| Engineering Services | Landfill Phase 3 Northeast Gas Works | Administrative Consolidation: Request to consolidate two related Vancouver Landfill Phase 3 Gas Work capital budgets into one budget to simplify project administration. | 3,525,000 | 200,000 | 3,725,000 | 3,525,000 | 35,000 | 3,560,000 | N/A |
| Engineering Services | Phase 3 SE Horizontal Wells Level 35 | | 200,000 | (200,000) | 0 | 35,000 | (35,000) | 0 | N/A |
| Total - Administrative Consolidation; Restatements; Council-approved Additions | | | \$ 9,175,000 | \$ - | \$ 9,175,000 | \$ 4,566,901 | \$ - | \$ 4,566,901 | |
| B. Emerging priority projects | | | | | | | | | |
| 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 |
| None | | | | | | | | | |
| Total - Emerging Priority Projects | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |

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| Capital Budget Adjustment Requests | | | | | | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------|----------------------|---------------------------------|-------------|---------------------|------------------------------------------------------------------------------------------------------------------------------|
| | | | BUDGET IMPACT | | | | | | |
| | | | Multi-Year Capital Project Budget | | | 2016 Capital Expenditure Budget | | | |
| 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 |
| Engineering Services | Chinatown Dragon Fixture Lighting | As approved by Council July 22, 2014 (RTS 10665), Vancouver Chinatown Merchants Association (VCMA) and City's to partner to upgrade the Chinatown dragon fixtures to energy efficient LED technology and repaint the fixtures. Total project cost \$600,000 to be funded \$400,000 from City capital and \$200,000 from VCMA. Expenditures will be managed within the overall 2016 Annual Expenditure budget. | 0 | 600,000 | 600,000 | 0 | 0 | 0 | • External (Vancouver Chinatown Merchants Association) \$200,000 • Reallocation of existing Capital - Debenture \$400,000 |
| Total - Timing Uncertain budget additions; Project acceleration | | | \$ - | \$ 600,000 | \$ 600,000 | \$ - | \$ - | \$ - | |
| 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 |
| Parks & Recreation | Marine Structures and Studies | Increase to existing program budget with funding provided from 2015-2018 Capital Plan: A major project in this program is the Vanier dock and foreshore renewal project. This adjustment request is to allocate funding from the 2015-2018 Capital Plan (Parks, Open Spaces & Recreation) in order for the construction contract to be awarded in Q1 2016 so that construction can be completed before the start of the summer boating season. Funding is also being allocated from the 2015-2018 Capital Plan (Parks, Open Spaces & Recreation) in order to award a consulting contract in Q1 2016 for bridge and marine structure condition assessment to determine program priorities for 2016. Expenditures will be managed within the overall 2016 Annual Expenditure budget. | 890,000 | 500,000 | 1,390,000 | 590,000 | 0 | 590,000 | 2015-2018 Capital Plan (Parks, Open Spaces & Recreation) Debenture |
| Finance, Risk & Business Planning | 2015-18 REFM Facilities Capital Planning | Increase to existing program budget with funding provided from 2015-2018 Capital Plan: To provide funding for ongoing, annual program covering the cost of Real Estate & Facilities Management staff providing facilities planning support for the City's capital program. Expenditures will be managed within the overall 2016 Annual Expenditure budget. | 1,160,000 | 1,160,000 | 2,320,000 | 0 | 0 | 0 | 2015-2018 Capital Plan (Citywide Overhead) Capital from Revenue |
| Total - Budget Increases/Decreases to Existing Projects/Programs | | | \$ 2,050,000 | \$ 1,660,000 | \$ 3,710,000 | \$ 590,000 | \$ - | \$ 590,000 | |
| 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 |
| None | | | | | | | | | |
| Total - Reallocations | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Total Capital Budget Adjustment Requests | | | \$ 11,225,000 | \$ 2,260,000 | \$ 13,485,000 | \$ 5,156,901 | \$ - | \$ 5,156,901 | |

| Appendix 2 - Q4 2015 Capital Closeouts | | | | | |
|-----------------------------------------------------------------------------------------------------|--------------------|--------------------|-------------------|-----------|--------------------------------------------------------------------------------------------------------------------|
| Project/Program Name | Budget | Actuals | Surplus (Deficit) | % | Closeout Variance Explanation (Required for variances > \$50,000 and 15% of budget) |
| Community Services | | | | | |
| Grant - Immigrant Services Society (Housing) | 490,000 | 490,000 | - | 0% | |
| Grant - Atira (41 E Hastings) | 1,200,000 | 1,200,000 | - | 0% | |
| Grant - Acorn Daycare Society | 40,000 | 40,000 | - | 0% | |
| Grant - Visible Arts Society (Rize) | 400,000 | 400,000 | - | 0% | |
| Grant - Arts Factory Society (Rize) | 300,000 | 300,000 | - | 0% | |
| Contribution to Carving Pavilion Construction | 125,000 | 125,000 | - | 0% | |
| Community Services Total | 2,555,000 | 2,555,000 | - | 0% | |
| Engineering Services | | | | | |
| 2012-14 Distribution Main Replacement | 25,050,947 | 25,360,479 | (309,532) | -1% | |
| 2012-14 Sewer Main Reconstruction | 74,089,134 | 74,052,537 | 36,597 | 0% | |
| Vancouver Landfill Western 40 Hectares Closure - Materials Stockpiling | 1,000,000 | 896,813 | 103,187 | 10% | |
| 2013 Vancouver Landfill Hydrogeological Review | 715,000 | 653,266 | 61,734 | 9% | |
| Closure Plan for Vancouver Landfill | 605,000 | 525,733 | 79,267 | 13% | |
| 2012-14 Connections & Manhole Reconstruction | 4,380,000 | 4,414,131 | (34,131) | -1% | |
| 2013 New Water Service Installations | 3,306,200 | 3,121,472 | 184,728 | 6% | |
| 2012-14 Sewer & Water Combined Connections | 1,615,400 | 1,576,376 | 39,024 | 2% | |
| 2012-14 Major Road Network (MRN) Repaving | 12,576,000 | 12,576,000 | - | 0% | |
| 2012-14 Burrard Br Bearing Replacement/Rehabilitation | 10,190,000 | 10,159,637 | 30,363 | 0% | |
| Railway Grade Crossing Audit | 400,000 | 315,416 | 84,584 | 21% | Consultant cost quotation came in lower than estimated when budget was developed. |
| 2012-14 Investigation for Design | 1,289,000 | 1,275,270 | 13,730 | 1% | |
| 2012-14 Street Lighting Infrastructure - Local Streets | 4,486,703 | 4,482,408 | 4,295 | 0% | |
| 2013-14 Vehicles & Equipment Replacement Program - Vancouver Fire & Rescue Services Light Equipment | 200,000 | 180,367 | 19,633 | 10% | |
| Engineering Services Total | 139,903,384 | 139,589,905 | 313,479 | 0% | |
| Human Resources, Digital Strategy and Information Technology | | | | | |
| CIO - BTAC Priority Projects | 1,000,000 | 1,007,016 | (7,016) | -1% | |
| Infrastructure Maintenance, Upgrade, & Expansion | 1,900,000 | 1,920,643 | (20,643) | -1% | |
| Domino Upgrade 2013 | 100,000 | - | 100,000 | 100% | Project did not need to proceed as the functionality was replaced by the Permits & Licence Transformation project. |
| 2012-14 Client Hardware Refresh Program | 7,230,000 | 7,229,795 | 205 | 0% | |
| Technical Crime Archival Solution | 1,090,000 | 1,087,029 | 2,971 | 0% | |
| IT Strategic Initiatives | 1,000,000 | 966,054 | 33,946 | 3% | |
| HR, Digital Strategy and IT Total | 12,320,000 | 12,210,537 | 109,463 | 1% | |
| Parks & Recreation | | | | | |
| Universal Access 2009, 2011 | 179,000 | 172,332 | 6,668 | 4% | |
| Neighbourhood Matching Fund 2009 | 52,000 | 52,692 | (692) | -1% | |
| 2012-14 Park Renewals - Major | 833,900 | 845,967 | (12,067) | -1% | |
| Park Land Acquisition - September 2015 | 1,298,000 | 1,298,000 | - | 0% | |
| Parks & Recreation Total | 2,362,900 | 2,368,991 | (6,091) | 0% | |
| Planning & Development Services | | | | | |
| Facade Grant - 41 Alexander | 50,000 | 50,000 | - | 0% | |
| Facade Grant - 8 W Pender St | 100,000 | 100,000 | - | 0% | |
| Planning & Development Services Total | 150,000 | 150,000 | - | 0% | |

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| Appendix 2 - Q4 2015 Capital Closeouts | | | | | |
|--------------------------------------------------------------|--------------------|--------------------|-------------------|-----------|-------------------------------------------------------------------------------------|
| Project/Program Name | Budget | Actuals | Surplus (Deficit) | % | Closeout Variance Explanation (Required for variances > \$50,000 and 15% of budget) |
| Real Estate & Facilities Management | | | | | |
| CityGate II Childcare | 1,884,599 | 1,654,111 | 230,488 | 12% | Construction contract costs were lower than anticipated in budget. |
| Kerrisdale Community Centre (Seniors' Wing) Roof Replacement | 325,000 | 320,732 | 4,269 | 1% | |
| Facility Studies 2010 | 157,000 | 150,381 | 6,619 | 4% | |
| 2012-14 Capital Maintenance of Social Facilities | 950,000 | 926,599 | 23,401 | 2% | |
| Gathering Place New Entry | 2,000,000 | 1,967,906 | 32,094 | 2% | |
| Firehall No. 15 Mechanical Upgrades | 100,000 | 22,412 | 77,588 | 78% | Less deficiency work was required than anticipated in budget. |
| 2012-14 Capital Maintenance of Service Yard Facilities | 460,000 | 471,642 | (11,642) | -3% | |
| First Aid Rooms - Park Service Yards | 100,000 | 70,427 | 29,573 | 30% | Construction contract costs were lower than anticipated in budget. |
| Evans Yard HVAC Shop | 200,000 | 189,892 | 10,108 | 5% | |
| Real Estate & Facilities Management Total | 6,176,599 | 5,774,103 | 402,496 | 7% | |
| Total Q4 2015 Capital Closeouts | 163,467,883 | 162,648,536 | 819,347 | 1% | |

| Budget Status at Completion (# of projects/programs) | Budget | Actual | Surplus (Deficit) | % |
|------------------------------------------------------|--------------------|--------------------|-------------------|-----------|
| Surplus greater than \$50K & 15% (3) | 600,000 | 337,828 | 262,172 | 44% |
| Deficit greater than \$50K & 15% (0) | 0 | 0 | 0 | 0% |
| Surplus/deficit less than \$50K & 15% (38) | 162,867,883 | 162,310,708 | 557,175 | 0% |
| TOTAL (41 projects/programs) | 163,467,883 | 162,648,536 | 819,347 | 1% |

| Proposed Allocation of Closeout Surpluses/Deficits: | | |
|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-------------------|
| From | To | Amount |
| Engineering Services | | |
| 2015-18 Distribution Main Replacement (ongoing) | 2012-14 Distribution Main Replacement closeout deficit | (261,152) |
| Unplanned external cost recoveries (Metro Vancouver; developer) | | (48,380) |
| External cost recoveries received in excess of planned recoveries | 2012-14 Connections & Manhole Reconstruction closeout deficit | (34,131) |
| Vancouver Landfill Western 40 Hectares Closure - Materials Stockpiling closeout surplus | Capital Financing Fund (reduce loan commitment) | 103,187 |
| 2013 Vancouver Landfill Hydrogeological Review closeout surplus | | 61,734 |
| Closure Plan for Vancouver Landfill closeout surplus | | 79,267 |
| 2013-14 Vehicles & Equipment Replacement Program - Vancouver Fire & Rescue Services Light Equipment closeout surplus | Plant and Equipment Reserve (remove commitment) | 19,633 |
| Net remaining Engineering Services closeout surplus | Citywide Unallocated from Closeouts | 393,322 |
| Engineering Services net closeout surplus | | \$ 313,479 |
| Human Resources, Digital Strategy and Information Technology | | |
| Net Information Technology closeout surplus | Citywide Unallocated from Closeouts | 109,463 |
| Human Resources, Digital Strategy and Information Technology net closeout surplus | | \$ 109,463 |
| Parks & Recreation | | |
| Citywide Unallocated from Closeouts | Net Parks & Recreation closeout deficit | (6,091) |
| Parks & Recreation net closeout surplus | | \$ (6,091) |
| Real Estate & Facilities Management | | |
| Net Real Estate & Facilities Management closeout surplus | Citywide Unallocated from Closeouts | 402,496 |
| Real Estate & Facilities Management net closeout surplus | | \$ 402,496 |
| Net closeout surplus for Q4 2015 Capital Closeouts | | \$ 819,347 |