**Agenda – Executive Policy Committee – April 24, 2013**

## REPORTS

**Item No. 1 First Charge against the 2014 Assiniboine Park Conservancy – Infrastructure and Sustainability Capital Program (Charleswood-Tuxedo Ward)**

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That Council authorize expenditures of up to $3.123 million for the Assiniboine Park Conservancy (APC) – Infrastructure and Sustainability capital program in 2013 or prior to the adoption of the 2014 Capital Budget as a first charge against the General Capital Fund in accordance with Subsection 288(2) of the City of Winnipeg Charter to allow for the timely replacement of the Zoo South Gate project.

2. That the Proper Officers of the City do all things necessary to implement the intent of the foregoing.

# ADMINISTRATIVE REPORT

**Title: Request for First Charge against the 2014 Assiniboine Park Conservancy – Infrastructure and Sustainability Capital Program**

**Critical Path: Executive Policy Committee and Council**

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| B. Holsten Boyer, Manager of Financial Planning and Review | J. Ferrier, City Treasurer | Mike Ruta, CFO | D Joshi COO |

## RECOMMENDATIONS

1. That Council authorize expenditures of up to $3.123 million for the Assiniboine Park Conservancy (APC) – Infrastructure and Sustainability capital program in 2013 or prior to the adoption of the 2014 Capital Budget as a first charge against the General Capital Fund in accordance with Subsection 288(2) of the City of Winnipeg Charter to allow for the timely replacement of the Zoo South Gate project.

2. That the Proper Officers of the City do all things necessary to implement the intent of the foregoing.

## REASON FOR THE REPORT

Council approval, through a first charge, is required in order to expend 2014 capital forecast funds prior to the adoption of the 2014 Capital Budget.

## IMPLICATIONS OF THE RECOMMENDATIONS

A first charge on the APC – Infrastructure and Sustainability capital program allows expenditures prior to the adoption of the 2014 capital budget, in accordance with subsection 288(2) of the City of Winnipeg Charter which states:

> *Before the City's operating or capital budget for a fiscal year is adopted, Council may authorize expenditures to be made of amounts for operating or capital expenses, not exceeding in total 30% of the expenditures estimated in the City's operating and capital budgets for the previous fiscal year.*

## HISTORY

On January 29, 2013, Council adopted the 2013 Capital Budget and the 2014 - 2018 Five Year Forecast. The 2014 - 2018 forecast includes $5.123 million annually for the APC – Infrastructure and Sustainability capital program.

APC has indicated that its 2013 and 2014 Zoo refurbishment plan has added the replacement of the Zoo Main Gate on Roblin Boulevard. APC advises that this was not contemplated as part of the original 2013 APC - Infrastructure and Sustainability capital program submission to the City. This request from APC accelerates the timing of City funds to address the need for the south gate project but does not require an increase to the total City funding commitment for the Infrastructure and Sustainability capital program over the 10 year period. APC confirms this accelerated City funding will allow other funding to "catch-up" and will also ensure that the Zoo Main Gate is open to accept visitors to the "Journey to Churchill" in the spring of 2014. A new main gate is deemed critical to the successful opening of the "Journey to Churchill" in order to accommodate the anticipated increase in visitors.

APC advises that they are agreeable in future year capital budgets to reduce their first charge requests for the Infrastructure and Sustainability capital program by $1 million annually. That is, the first charge request on the 2015 authorization will be limited to approximately $2 million and the first charge on the 2016 authorization will be limited to approximately $1 million. Beginning with the 2017 authorization, no first charge requests are anticipated. The final timing and amount of future years' funding for this program will be reviewed annually as part of the City's budget process.

## FINANCIAL IMPACT

**Financial Impact Statement** **Date:** April 4, 2013

**Project Name:** **First Year of Program** **2013**

**First Charge against the 2014 Assiniboine Park Conservancy - Infrastructure and Sustainability Capital Program**

| (in $000's) | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|---|---|---|---|---|---|
| **Capital** | | | | | | |
| Capital Expenditures Required | $ 8,246 | $ - | $ - | $ - | $ - | $ - |
| Less: Existing Budgeted Costs | 5,123 | - | - | - | - | - |
| Additional Capital Budget Required | $ 3,123 | $ - | $ - | $ - | $ - | $ - |
| **Funding Sources:** | | | | | | |
| Cash to Capital | $ 3,123 | $ - | $ - | $ - | $ - | $ - |
| Debt - External | - | - | - | - | - | - |
| Grants (Enter Description Here) | - | - | - | - | - | - |
| Reserves, Equity, Surplus | - | - | - | - | - | - |
| Other | - | - | - | - | - | - |
| Total Funding | $ 3,123 | $ - | $ - | $ - | $ - | $ - |
| Total Additional Capital Budget Required | $ 3,123 | | | | | |
| Total Additional Debt Required | $ - | | | | | |
| **Current Expenditures/Revenues** | | | | | | |
| Direct Costs | $ - | $ - | $ - | $ - | $ - | $ - |
| Less: Incremental Revenue/Recovery | | | | | | |
| Net Cost/(Benefit) | $ - | $ - | $ - | $ - | $ - | $ - |
| Less: Existing Budget Amounts | | - | | | | |
| Net Budget Adjustment Required | $ - | $ - | $ - | $ - | $ - | $ - |

**Additional Comments:**

As part of the 2013 budget process, the 2014 forecast for the APC - Infrastructure and Sustainability capital program included an amount of $5.123 million. This first charge, requested by APC, against the General Capital Fund would advance funding for the Zoo south gate project to allow expenditures in 2013 or prior to the adoption of the 2014 capital budget of up to $3.123 million in accordance with subsection 288(2) of the City of Winnipeg Charter. The final timing and amount of future years' funding for this program will be reviewed as part of the City's budget process.

*(Original signed by E. Waterman for R. Abeysekera)*

Radhika Abeysekera
Manager of Finance - Campus Departments
Corporate Finance Department

## CONSULTATION

**In preparing this report there was concurrence by:**

The Community Services Department

## SUBMITTED BY

Department: Corporate Finance
Prepared by: Betty Holsten Boyer, Manager of Financial Planning and Review
Date: April 4, 2013
File No.