

Capital Budget Monitoring Report – June 30, 2014

Date:	September 8, 2014
To:	Toronto Public Library Board
From:	Acting City Librarian

SUMMARY

The purpose of this report is to provide the Toronto Public Library Board with a summary of the Toronto Public Library's capital expenditures for the six-month period ending June 30, 2014.

Capital spending during the first six months in 2014 totalled \$14.929 million or 46.8% of the approved gross cash flow of \$31.900 million. Capital expenditures are monitored on an on-going basis to ensure that spending is within the approved budget.

FINANCIAL IMPACT

Based on the \$14.929 million actual spending, the 2014 gross capital budget of \$31.900 million is 46.8% spent as of June 30, 2014.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

ISSUE BACKGROUND

Toronto Public Library's 2014 capital budget of \$31.900 million gross is comprised of \$26.925 million approved and \$4.975 million of unspent balances carried forward from 2013.

COMMENTS

As of June 30, 2014, TPL has spent \$14.929 million or 46.8% of the 2014 approved cash-flow of \$31.900 million. This spending rate is above the level of expenditures at this time in previous years.

Attachment 1 includes a detailed list of all active projects, providing 2014 year-to-date and life-to-date project expenditure status, as well as projected expenditures to the end of the

year. The expenditure rate for 2014 is projected to be \$31.505 million or 98.8% by the end of the year.

The following projects are on track, and the 2014 cash flow will be fully spent by year end:

- The Scarborough Civic Centre Neighbourhood Construction project's capital expenditures totaled \$1.916 million representing 38.8% of the 2014 approved cash flow of \$4.936 million during the six months ended June 30, 2014. Construction is proceeding according to schedule. The branch is expected to open in the first quarter of 2015. It is estimated that \$4.936 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The Fort York Library Construction project's capital expenditures totaled \$1.274 million, representing 47.6% of the 2014 approved cash flow of \$2.679 million. The branch opened in May 2014 with work on deficiencies expected to be completed on schedule. It is estimated that \$2.679 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The Self Service Circulation project's capital expenditures totaled \$1.339 million representing 93.6% of the 2014 approved cash flow of \$1.431 million. The work is proceeding according to schedule. It is estimated that \$1.431 million or 100.0% of the 2014 approved cash flow will be spent by year-end.
- The Library Processing Centre Relocation project's capital expenditures totaled \$3.474 million representing 54.6% of the 2014 approved cash flow of \$6.361 million. Construction is proceeding according to schedule. It is estimated that \$6.361 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The Multi Branch Minor renovation project's capital expenditures totaled \$2.543 million or 60.1% of the 2014 approved cash flow of \$4.228 million. This project is ahead of schedule and it is estimated that \$5.628 million or 133% of the 2014 approved cash flow will be spent by year-end. Board approval of an additional \$1.400 million 2014 cash flow funding to be spent in 2014 is being requested in a separate report, by advancing \$1.400 million from 2015 with a corresponding cash flow deferral for the Albion Library Renovation project, which is experiencing delays.

The total budget projected under-spending is mainly attributed to the Brentwood reconstruction, Mount Dennis renovation and Albion Library Renovation projects.

- The Brentwood reconstruction project's capital expenditures totaled \$0.004 million or 1.9% of the 2014 approved cash flow of \$0.211 million. The branch reopened on November 2, 2012, but a dispute with a vendor remains unresolved. It is estimated that \$0.135 million or 63.9% of the 2014 approved cash flow will be spent by year-end.
- The Albion Library Renovation project's capital expenditures totaled \$0.128 million representing 7.9% of the 2014 approved cash flow of \$1.620 million. Site plan approval

timelines will delay the start of construction of the Albion Library renovation to 2015, which would result in a 2014 cash flow under-expenditure of \$1.4 million. As a result, it is estimated that \$0.220 million or 13.6% of the 2014 approved cash flow will be spent by year-end. Board approval of a budget adjustment is being requested in a separate report, deferring \$1.400 million in cash flow funding for this project to 2015 with a corresponding cash flow advance from 2015 to 2014 for the Multi-Branch Renovation project, which is ahead of schedule.

- The Mount Dennis renovation project's capital expenditures totaled \$0.019 million or 5.1% of the 2014 approved cash flow of \$0.383 million. The branch has been re-opened since March 2013 and only minor deficiencies remain to be addressed. It is estimated that \$0.027 million or 7.0% of the 2014 approved cash flow will be spent by year-end.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1: Capital Budget Monitoring Report for the Period Ending June 30, 2014