



STAFF REPORT INFORMATION ONLY

Capital Budget Monitoring Report – December 31, 2015

Date:	March 21, 2016
To:	Toronto Public Library Board
From:	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 year ending December 31, 2015.

Capital spending during 2015 totalled \$19.627 million or 88.4% of the approved gross cash flow of \$22.195 million, leaving a remaining balance of \$2.568 million to be carried forward and added to the 2016 budget.

FINANCIAL IMPACT

Capital spending during 2015 totalled \$19.627 million or 88.4% of the approved gross cash flow of \$22.195 million, leaving a remaining balance of \$2.568 million to be carried forward and be added to the 2016 budget.

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

ISSUE BACKGROUND




Toronto Public Library's 2015 capital budget of \$22.195 million gross is comprised of approved new cash flows of \$20.143 million and \$2.052 million of unspent balances carried forward from 2014.

COMMENTS

New Dashboard Format

The year-end monitoring report for 2015 has been restructured to a dashboard format. The dashboard, in Attachment 1, provides better performance measurement and monitoring to ensure capital projects are meeting budgets, and improved information to enable the Library Board to make informed decisions based on easy to understand results. The dashboard

includes "alert" indicators with Green, Yellow or Red colours that measure the percentage of capital spending with the criteria based on the following net budget variances:

	– 70% or more of Budget Spent
	– Between 50% and 70% of Budget Spent
	– Less than 50% of Budget Spent or more than 100% of Budget Spent

As of December 31, 2015, the Library spent \$19.627 million or 88.4% of the 2015 approved cash flow of \$22.195 million, resulting in a final unspent balance of \$2.568 million to be carried forward to 2016. The average five-year capital spending rate is 85.8%, well above the City average.

Attachment 1 includes a list of all active projects, providing 2015 year-end and life-to-date project expenditure status, and unspent cash-flow balances carried forward to 2016. A brief description of 2015 accomplishments, significant expenditure variances and the completion status of major projects is provided below:

- The *Toronto Reference Library* project capital expenditure totalled \$0.679 million representing 100% of the 2015 approved cash flow of \$0.679 million. This is the final phase of the continuing revitalization and retrofit of a five-storied, 416,035 sq. ft. central library that serves the entire City of Toronto. This project addressed building structure, health and safety, mechanical, electrical and barrier free deficiencies as well as the redesign and retrofit of key public service areas. The full project cost of \$26.758 million was funded through a blend of public and private financing consisting of contributions from the City and other levels of government, and private fundraising through the *re:vitalize* – Toronto Reference Library Campaign initiated by the TPL Foundation.
- The *Fort York Library Construction* project capital expenditure totalled \$0.184 million representing 29.3% of the 2015 approved cash flow of \$0.626 million. While the branch has been open since May 2014, outstanding work such as addressing HVAC issues and acoustic problems are taking longer than anticipated. An unspent cash-flow balance of \$0.443 million will be carried forward to 2016.
- The *Scarborough Civic Centre Library Construction* project capital expenditure totalled \$1.465 million representing 93.7% of the 2015 approved cash flow of \$1.564 million. The branch has been open since May 2015 and there are outstanding deficiencies to be addressed. An unspent cash-flow balance of \$0.098 million will be carried forward to 2016.
- The *Albion Library Renovation* project capital expenditure totalled \$2.810 million or 83.6% of the 2015 approved cash flow of \$3.362 million. The under spending is mainly

due to late delivery of structural steel. An unspent cash-flow balance of \$0.552 million will be carried forward to 2016.

- The *Bridlewood Library Renovation* project capital expenditures totalled \$0.020 million or 100% of the 2015 approved cash flow of \$0.020 million.
- The *Wychwood Library Renovation* project capital expenditure totalled \$0.124 million or 91.9% of the 2015 approved cash flow of \$0.135 million. An unspent cash-flow balance of \$0.011 million will be carried forward to 2016.
- The *Bayview Library Relocation* project capital expenditure totalled \$0.056 million or 22.6% of the 2015 approved cash flow of \$0.250 million. This is a joint project with Parks, Forestry and Recreation. Delays in City approvals resulted in \$0.194 million of unspent cash-flow balance to be carried forward to 2016.
- The *Agincourt Building Elements* project capital expenditure totalled \$0.186 million or 92.8% of the 2015 approved cash flow of \$0.200 million. An unspent cash-flow balance of \$0.014 million will be carried forward to 2016.
- The *Pan Am Games Program* capital expenditures totalled \$0.153 million or 100% of the 2015 approved cash flow of \$0.153 million.
- The *St. Clair/Silverthorn Reconstruction* project capital expenditure totalled \$0.056 million or 28.3% of the 2015 approved cash flow of \$0.200 million. Public consultation was completed and working drawings are underway. Delays in City approvals resulted in \$0.143 million of unspent cash-flow balance to be carried forward to 2016.
- The *North York Central Library Renovation* project capital expenditure totalled \$0.901 million or 87.1% of the 2015 approved cash flow of \$1.035 million. A longer planning and design period due to the complexity of this project delayed the construction start. An unspent cash-flow balance of \$0.133 million will be carried forward to 2016.
- The *Dawes Road Library Construction and Expansion* project capital expenditure totalled \$0.004 million or 8.8% of the 2015 approved cash flow of \$0.050 million. The project status was dependent on reaching an agreement on the strategy for project development, and this was resolved with the City Council approval of the 2016-2025 capital budget and plan on February 17, 2016. An unspent cash-flow balance of \$0.046 million will be carried forward to 2016.
- The *Technology Asset Management Program* capital expenditures totalled \$4.905 million or 98.3% of the 2015 approved cash flow of \$4.992 million. PC, network and server replacements were completed as planned, and the 2015 Technology Asset Management Program is on schedule. The unspent cash-flow balance of \$0.087 million will be carried forward to 2016.

- The *Multi Branch State of Good Repair Program* capital expenditures totalled \$6.104 million or 92% of the 2015 approved cash flow of \$6.636 million. This state of good repair renovation project is an effective way of keeping some branches functional until a major renovation can be funded. Delays in finalizing the engineering specification requirements to complete the approved design for some renovation projects resulted in \$0.532 million of unspent cash-flow balance to be carried forward to 2016.
- The *Virtual Branch Services* project capital expenditure totalled \$1.685 million or 97.8% of the 2015 approved cash flow of \$1.724 million. The project is on schedule. The unspent cash-flow balance of \$0.038 million will be carried forward to 2016.
- The *Library Processing Centre Relocation* project capital expenditures totalled \$0.228 million representing 84.7% of the 2015 approved cash flow of \$0.269 million. Construction is completed, but outstanding issues related to programme requirements remain to be addressed. The unspent cash-flow balance of \$0.041 million will be carried forward to 2016.
- The *Eglinton Square Expansion* project capital expenditures totalled \$0.065 million representing 21.6% of the 2015 approved cash flow of \$0.300 million. This project was approved by Council on September 30, 2015. An unspent cash-flow balance of \$0.235 million will be carried forward to 2016.

The final total under-spending balance at the end of 2015 is \$2.568 million, which will be carried forward to 2016 and will increase the total available capital budget in 2016.

These results should be considered draft until the external audit of the financial statements is completed.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1: Capital Budget Monitoring Report for the Year Ended December 31, 2015