

**Capital Budget Monitoring Report – December 31, 2016**

|              |                              |
|--------------|------------------------------|
| <b>Date:</b> | March 20, 2017               |
| <b>To:</b>   | Toronto Public Library Board |
| <b>From:</b> | City Librarian               |

**SUMMARY**

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The purpose of this report is to provide the Toronto Public Library Board with a summary of Toronto Public Library’s capital expenditures for the year ending December 31, 2016.

Capital spending during 2016 totalled \$26.612 million or 95.8% of the approved gross cash-flow of \$27.767 million, resulting in a final unspent balance of \$1.155 million, which is comprised of \$4.063 million from capital projects that are under-spent at year-end partially offset by cash-flows of \$2.908 million from three projects that are spending ahead of schedule.

**FINANCIAL IMPACT**

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Capital spending during 2016 totalled \$26.612 million or 95.8% of the approved gross cash-flow of \$27.767 million, resulting in a final unspent balance of \$1.155 million, which is comprised of \$4.063 million from capital projects that are under-spent at year-end partially offset by cash-flows of \$2.908 million from three projects that are spending ahead of schedule. Of the \$4.063 million unspent cash-flow at year end, \$2.688 million will be carried forward and added to the 2017 budget, \$0.250 million will be carried forward to the 2018 capital plan, and \$1.125 million will be carried forward to the 2019 capital plan, as shown on the following table.

**Unspent cash flows carried forward  
(\$ Millions)**

| Projects                                      | Carry-Forward Funding to: |              |              |
|-----------------------------------------------|---------------------------|--------------|--------------|
|                                               | 2017<br>Budget            | 2018<br>Plan | 2019<br>Plan |
| Fort York Library Construction                | 0.351                     |              |              |
| Scarborough Civic Centre Library Construction | 0.045                     |              |              |
| Wychwood Library Renovation                   | 0.049                     | 0.250        |              |
| Agincourt Building Element                    | 0.062                     |              | 1.125        |
| St.Clair/Silverthorn Renovation               | 0.055                     |              |              |
| Dawes Road Construction & Expansion           | 1.039                     |              |              |
| Technology Asset Management Program           | 0.054                     |              |              |
| Multi-Branch State of Good Repair Program     | 0.024                     |              |              |
| Eglinton Square Library Expansion             | 0.754                     |              |              |
| Albert Campbell Library Renovation            | 0.225                     |              |              |
| Downsview Library Renovation                  | 0.030                     |              |              |
| <b>Total</b>                                  | <b>2.688</b>              | <b>0.250</b> | <b>1.125</b> |

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

## ISSUE BACKGROUND

Toronto Public Library's 2016 capital budget of \$27.767 million gross is comprised of \$25.197 million approved and \$2.569 million of unspent balances carried forward from 2015 as approved by Council.

## COMMENTS

As of December 31, 2016, the Library spent \$26.612 million or 95.8% of the 2016 approved cash-flow of \$27.767 million, resulting in a final unspent balance of \$1.155 million. The average five-year capital spending rate is 87.6%, well above the City average.

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

- The *Fort York Library Construction* project capital expenditure totalled \$0.092 million representing 20.7% of the 2016 approved cash-flow of \$0.443 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 \$0.351 million will be carried forward to 2017.

- The *Scarborough Civic Centre Library Construction* project capital expenditure totalled \$0.053 million representing 54.1% of the 2016 approved cash-flow of \$0.099 million. The branch has been open since May 2015 and there are outstanding deficiencies to be addressed. An unspent cash-flow balance of \$0.045 million will be carried forward to 2017.
- The *Albion Library Reconstruction* project capital expenditure totalled \$8.200 million or 118.1% of the 2016 approved cash-flow of \$6.941 million. This project spending is ahead of schedule and the 2016 cash-flow over-expenditure of \$1.259 million will be deducted from 2017 cash-flow funding.
- The *Library Processing Centre Relocation* project capital expenditures totalled \$0.041 million representing 100% of the 2016 approved cash-flow of \$0.041 million. The project is completed.
- The *Wychwood Library Renovation* project capital expenditure totalled \$0.251 million or 45.6% of the 2016 approved cash-flow of \$0.550 million. As a result of a lengthy site plan approval process, \$0.250 million funding from Parks, Forestry and Recreation will be carried forward to 2018 and the remaining unspent cash-flow of \$0.049 million will be carried forward to 2017.
- The *Agincourt Building Elements* project capital expenditure totalled \$1.231 million or 50.9% of the 2016 approved cash-flow of \$2.417 million. Due to uncertainty regarding the timing of the receipt of Section 37 funds, \$1.125 million of Section 37 funding will be carried forward to 2019. The remaining unspent cash-flow of \$0.062 million will be carried forward to 2017.
- The *St. Clair/Silverthorn Reconstruction* project capital expenditure totalled \$0.106 million or 65.9% of the 2016 approved cash-flow of \$0.161 million. Delays in City approvals resulted in \$0.055 million of unspent cash-flow balance to be carried forward to 2017.
- The *North York Central Library Renovation Phase 1* project capital expenditure totalled \$3.852 million or 170.2% of the 2016 approved cash-flow of \$2.263 million. This project spending is ahead of schedule and the 2016 cash-flow over expenditure of \$1.588 million will be deducted from 2017 cash-flow funding.
- The *Dawes Road Library Construction and Expansion* project capital expenditure totalled \$0.002 million or 0.2% of the 2016 approved cash-flow of \$1.041 million. City Facilities and Real Estate are continuing to work on negotiations regarding the site. An unspent cash-flow balance of \$1.039 million will be carried forward to 2017.
- The *Technology Asset Management Program* capital expenditures totalled \$4.633 million or 98.9% of the 2016 approved cash-flow of \$4.687 million. The unspent cash-flow balance of \$0.054 million will be carried forward to 2017.

- The *Multi Branch State of Good Repair Program* capital expenditures totalled \$5.817 million or 99.6% of the 2016 approved cash-flow of \$5.841 million. This state of good repair program is an effective way of keeping some branches functional until a major renovation can be funded. The unspent cash-flow balance of \$0.024 million will be carried forward to 2017.
- The *Virtual Branch Services* project capital expenditure totalled \$1.463 million or 104.3% of the 2016 approved cash-flow of \$1.402 million. The over-expenditure of \$0.061 million will be deducted from 2017 cash-flow funding.
- The *Eglinton Square Expansion* project's capital expenditure totalled \$0.424 million or 36.0% of the 2016 approved cash-flow of \$1.178 million. Site conditions delayed the start of construction, resulting in \$0.754 million of unspent cash-flows to be carried forward to 2017 to complete the project.
- The *Albert Campbell Renovation* project's capital expenditure totalled \$0.040 million or 15.1% of the 2016 approved cash-flow of \$0.265 million. The architect tender was awarded at the June 27, 2016 Library Board meeting and planning is underway. The unspent cash-flow balance of \$0.225 million will be carried forward to 2017.
- The *Downsview Renovation* project's capital expenditure totalled \$0.407 million or 93.1% of the 2016 approved cash-flow of \$0.437 million. The project is on schedule. The unspent cash-flow balance of \$0.030 million will be carried forward to 2017.

The total under-spending balance at the end of 2016 is \$4.063 million, of which \$2.688 million will be carried forward to 2017 and will increase the total available capital budget in 2017, \$0.250 million will be carried forward to the 2018 capital plan and \$1.125 million will be carried forward to the 2019 capital plan.

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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Vickery Bowles  
City Librarian

## ATTACHMENTS

Attachment 1: Capital Budget Monitoring Report for the Year Ended December 31, 2016

**Toronto Public Library  
2016 Capital Budget Monitoring Report  
For the Year Ended December 31, 2016**

**ATTACHMENT 1**

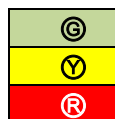
| Project/Sub-Project Name                                  | 2016 - Year End       |                   |              |                  |                  |           |          | Life To Date       |                   |                   |              | Planned Year of Substantial Completion |
|-----------------------------------------------------------|-----------------------|-------------------|--------------|------------------|------------------|-----------|----------|--------------------|-------------------|-------------------|--------------|----------------------------------------|
|                                                           | 2016 Full Year Budget | Spent             |              | Overspent        | Unspent          | On Budget | On Time  | Budget \$          | Actuals \$        | Unspent           |              |                                        |
|                                                           |                       | \$                | %            | \$               | \$               |           |          |                    |                   | \$                | %            |                                        |
|                                                           |                       | (a)               | (b)          | (c) =(a) / (b)   | (d) =(b) - (a)   |           |          |                    |                   | (e) =(a) - (b)    | (f)          |                                        |
| Fort York Library Construction                            | 442,913               | 91,860            | 20.7%        | -                | 351,053          | Ⓡ         | Ⓡ        | 9,192,000          | 8,840,947         | 351,053           | 3.8%         | 2014                                   |
| Scarborough Civic Centre Library Construction             | 98,680                | 53,434            | 54.1%        | -                | 45,246           | Ⓞ         | Ⓞ        | 10,276,000         | 10,230,754        | 45,246            | 0.4%         | 2015                                   |
| Albion Library Reconstruction                             | 6,940,752             | 8,199,573         | 118.1%       | 1,258,821        | -                | Ⓡ         | Ⓞ        | 15,007,000         | 11,644,821        | 3,362,179         | 22.4%        | 2018                                   |
| Relocation of Library Processing Centre to 1076 Ellesmere | 41,273                | 41,263            | 100.0%       | -                | 10               | Ⓞ         | Ⓞ        | 10,725,000         | 10,724,990        | 10                | 0.0%         | 2014                                   |
| Wychwood Library Renovation                               | 549,971               | 250,981           | 45.6%        | -                | 298,990          | Ⓡ         | Ⓡ        | 8,868,000          | 390,010           | 8,477,990         | 95.6%        | 2019                                   |
| Agincourt Building Elements                               | 2,417,309             | 1,230,682         | 50.9%        | -                | 1,186,627        | Ⓢ         | Ⓡ        | 2,603,000          | 1,416,373         | 1,186,627         | 45.6%        | 2019                                   |
| St. Clair/Silverthorn Renovation                          | 161,385               | 106,344           | 65.9%        | -                | 55,041           | Ⓢ         | Ⓢ        | 2,247,000          | 162,930           | 2,084,070         | 92.7%        | 2017                                   |
| North York Central Library Renovation Phase 1             | 2,263,430             | 3,851,933         | 170.2%       | 1,588,503        | -                | Ⓡ         | Ⓞ        | 14,974,000         | 4,753,503         | 10,220,497        | 68.3%        | 2019                                   |
| Dawes Road Construction & Expansion                       | 1,040,649             | 1,852             | 0.2%         | -                | 1,038,797        | Ⓡ         | Ⓡ        | 13,263,000         | 6,232             | 13,256,768        | 100.0%       | 2020                                   |
| Technology Asset Management Program                       | 4,686,931             | 4,633,223         | 98.9%        | -                | 53,708           | Ⓞ         | Ⓞ        | 9,052,000          | 5,598,292         | 3,453,708         | 38.2%        | Ongoing                                |
| Multi-Branch State of Good Repair Program                 | 5,840,612             | 5,816,682         | 99.6%        | -                | 23,930           | Ⓞ         | Ⓞ        | 21,396,923         | 15,393,033        | 6,003,890         | 28.1%        | Ongoing                                |
| Virtual Branch Services                                   | 1,402,404             | 1,463,323         | 104.3%       | 60,919           | -                | Ⓡ         | Ⓞ        | 3,292,000          | 2,452,919         | 839,081           | 25.5%        | Ongoing                                |
| Eglinton Square Library Expansion                         | 1,178,142             | 423,938           | 36.0%        | -                | 754,204          | Ⓡ         | Ⓡ        | 1,242,325          | 488,796           | 753,529           | 60.7%        | 2016                                   |
| Albert Campbell Library Renovation                        | 265,000               | 40,050            | 15.1%        | -                | 224,950          | Ⓡ         | Ⓡ        | 12,165,000         | 40,050            | 12,124,950        | 99.7%        | 2021                                   |
| Downsview Library Renovation                              | 436,875               | 406,558           | 93.1%        | -                | 30,317           | Ⓞ         | Ⓞ        | 436,875            | 406,558           | 30,317            | 6.9%         | 2016                                   |
| <b>Total- 2016 Capital Projects Cash Flow Gross</b>       | <b>27,766,326</b>     | <b>26,611,696</b> | <b>95.8%</b> | <b>2,908,243</b> | <b>4,062,873</b> | <b>Ⓞ</b>  | <b>Ⓞ</b> | <b>134,740,123</b> | <b>72,550,208</b> | <b>62,189,915</b> | <b>46.2%</b> |                                        |

On Time

On / Ahead of Schedule

Minor Delays < 6 months

Significant Delays > 6 months



On Budget

>70% of Approved Cash Flow

Between 50% and 70% of Approved Cash Flow

< 50% or >100% of Approved Cash Flow