

**Capital Budget Monitoring Report – September 30, 2017**

<b>Date:</b>	November 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 (TPL) Board with a summary of the capital expenditures for the nine-month period ended September 30, 2017, as well as projected expenditures to December 31, 2017.

Capital spending during the first nine months of 2017 totalled \$16.718 million, or 44.6%, of the gross cash flow of \$37.490 million and is projected to be \$28.817 million, or 76.9%, by the end of the year. Major reasons for project underspending are mainly attributable to delays in receiving necessary approvals, site negotiation delays and early spending of 2017 budgeted cash flows in 2016 due to projects being ahead of schedule. The average five-year capital spending rate is expected to be 89%. Capital expenditures are monitored and managed on an on-going basis to ensure that spending is within the approved budget.

**FINANCIAL IMPACT**

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Based on the \$16.717 million actual spending, the 2017 gross capital budget of \$37.490 million is 44.6% spent as of September 30, 2017.

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

**ISSUE BACKGROUND**

TPL’s 2017 capital budget of \$37.490 million gross is comprised of: \$29.524 million approved; \$2.688 million of unspent balances carried forward from 2016; a \$4.000 million cash flow acceleration of the North York Central Library (NYCL) Phase 1 project funded by operating savings from the closure; and a \$1.278 million budget increase to the Albion Library project (\$0.300 million) and Multi-Branch State of Good Repair project (\$0.978 million).

## COMMENTS

As of September 30, 2017, TPL has spent \$16.718 million, or 44.6%, of the 2017 approved cash-flow of \$37.490 million.

Most of TPL's capital projects are progressing according to plan. Appendix A includes a list of all active projects, providing 2017 year-to-date and life-to-date project expenditure status, as well as projected expenditures to the end of the year. Significant expenditure variances are mainly due to delays in receiving necessary approvals, site negotiation delays and a \$2.847 million pre-spending of 2017 budgeted cash-flows in 2016 due to projects being ahead of schedule requiring underspending in 2017 of the same amount. This required underspending means that the maximum attainable spending rate in 2017 is 92.4%. TPL's projected year-end expenditure for 2017 is \$28.817 million, resulting in a projected expenditure rate of 76.9% by the end of the year and a five-year average of 89%.

More details of project variances are shown below:

- The *Albert Campbell Renovation* project's capital expenditure totaled \$0.005 million, or 2.1%, of the 2017 approved cash flow of \$0.225 million. The architect contract has been awarded and design is underway. It is estimated that \$0.050 million, or 22.2%, of the 2017 approved cash flow will be spent by year-end.
- The *Bayview-Bessarion Library Relocation* project's capital expenditure totalled \$0.383 million or 66.1% of the 2017 approved cash flow of \$0.580 million. This is a joint project with timelines managed by Parks, Forestry and Recreation. This is a complex project that continues to experience delays in receiving necessary approvals. It is estimated that \$0.383 million, or 66.1% of the 2017 approved cash flow will be spent by year-end.
- The *Dawes Road Library Construction and Expansion* project's capital expenditure totalled \$0.010 million, or 0.4 %, of the 2017 approved cash flow of \$2.509 million project. City Facilities and Real Estate is continuing to work on negotiation regarding the site. There is uncertainty around spending for the year; at this time it is estimated that \$0.230 million, or 9.2%, of the 2017 approved cash flow will be spent by year-end.
- The *Fort York Library Construction* project's capital expenditure totalled \$0.025 million or 7.2% of the 2017 approved cash flow of \$0.351 million. The construction is complete, however, the millwork and acoustic problems still need to be resolved. It is estimated that \$0.101 million or 28.8% of the 2017 approved cash flow will be spent by year-end.
- The *St. Clair/Silverthorn Renovation* project's capital expenditure totalled \$0.036 million or 3.9% of the 2017 approved cash flow of \$0.905 million. Site plan has been approved. The construction tender was recently closed with the bids coming in above budget, and the project scope is currently being reviewed. It is estimated that only \$0.036 million or 3.9% of the 2017 approved cash flow will be spent by year-end.
- The *St. Lawrence Relocation and Expansion* project, with a 2017 approved cash flow of \$0.100 million for design costs, had no capital spending during the nine months ended September 30, 2017. City Facilities and Real Estate will perform a Master Plan and

Heritage assessment of the former First Parliament site. Given that the start date of this project is unknown at this time, the project is to be deferred to the future.

- The *Wychwood Library Renovation* project's capital expenditure totalled \$0.104 million or 8.4% of the 2017 approved cash flow of \$1.232 million. The site plan approval and building permit are still outstanding. Construction start is delayed to 2018. It is estimated that \$0.150 million or 12.2% of the 2017 approved cash flow will be spent by year-end.

## **CONTACT**

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## **SIGNATURE**

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Vickery Bowles  
City Librarian

## **ATTACHMENTS**

Appendix A: Capital Budget Monitoring Report for the Period Ended September 30, 2017

**Toronto Public Library  
2017 Capital Budget Monitoring Report  
For the Nine Months Ended September 30, 2017**

APPENDIX A

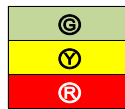
Project/Sub-Project Name	2017 - Year-to-Date					2017 - Year End				Life To Date				Planned Year of Completion
	2017 Full Year Budget	Spent		Unspent / (Overspent)		Projected Actuals * to Year-end		On Budget	On Time	Budget \$	Actuals \$	Unspent / (Overspent)		
		\$	%	\$	%	\$	% of Budget					\$	%	
		(a)	(b)	(c) = (a) / (b)	(d) = (a) - (b)	(e) = (d) / (a)	(f)					(g)	(h)	
1 Agincourt Partial Renovation	61,627	61,627	100.0%	-	0.0%	61,627	100.0%	Ⓞ	Ⓞ	1,172,000	1,172,000	0	0.0%	2017
2 Albert Campbell Library Renovation	224,950	4,836	2.1%	220,114	97.9%	50,000	22.2%	Ⓡ	Ⓞ	12,165,000	44,886	12,120,114	99.6%	2021
3 Albion Library Renovation	4,721,000	3,149,933	66.7%	1,571,067	33.3%	3,462,179	73.3%	Ⓞ	Ⓞ	15,307,000	14,794,754	512,246	3.3%	2018
4 Bayview-Bessarion Library Relocation	580,000	383,265	66.1%	196,735	33.9%	383,265	66.1%	Ⓢ	Ⓡ	12,622,000	575,000	12,047,000	95.4%	2021
5 Dawes Road Construction & Expansion	2,508,768	9,935	0.4%	2,498,833	99.6%	229,779	9.2%	Ⓡ	Ⓡ	13,263,000	16,167	13,246,833	99.9%	2020
6 Downsview Library Renovation	30,317	30,317	100.0%	-	0.0%	30,317	100.0%	Ⓞ	Ⓞ	436,875	436,875	0	0.0%	2016
7 Eglinton Square Library Expansion	754,204	754,204	100.0%	-	0.0%	754,204	100.0%	Ⓞ	Ⓞ	1,242,325	1,243,000	(675)	(0.1%)	2016
8 Fort York Library Construction	351,053	25,225	7.2%	325,828	92.8%	101,053	28.8%	Ⓡ	Ⓢ	9,192,000	8,866,172	325,828	3.5%	2014
9 North York Central Library Renovation	9,486,000	4,309,412	45.4%	5,176,588	54.6%	7,897,497	83.3%	Ⓞ	Ⓞ	14,974,000	9,062,915	5,911,085	39.5%	2019
10 Scarborough Civic Centre Library Construction	45,246	45,246	100.0%	-	0.0%	45,246	100.0%	Ⓞ	Ⓞ	10,276,000	10,276,000	0	0.0%	2015
11 St. Clair/Silverthorn Renovation	905,000	35,666	3.9%	869,334	96.1%	35,666	3.9%	Ⓡ	Ⓢ	2,897,000	198,596	2,698,404	93.1%	2018
12 St. Lawrence Relocation & Expansion	100,000	-	0.0%	100,000	100.0%	-	0.0%	Ⓡ	Ⓡ	100,000	-	100,000	100.0%	2017
13 Wychwood Library Renovation	1,232,019	103,832	8.4%	1,128,187	91.6%	150,000	12.2%	Ⓡ	Ⓡ	9,533,000	493,842	9,039,158	94.8%	2020
14 Integrated Payment Solutions	1,150,000	44,673	3.9%	1,105,327	96.1%	1,150,000	100.0%	Ⓞ	Ⓞ	2,250,000	44,673	2,205,327	98.0%	2018
15 Equipment for Operational Efficiencies	1,456,000	558,671	38.4%	897,329	61.6%	1,456,000	100.0%	Ⓞ	Ⓞ	1,806,000	558,671	1,247,329	69.1%	2018
16 Technology Asset Management Program	3,870,708	2,307,092	59.6%	1,563,616	40.4%	3,870,708	100.0%	Ⓞ	Ⓞ	17,252,000	7,905,384	9,346,616	54.2%	2019
17 Multi-Branch State of Good Repair Program	8,513,083	3,637,080	42.7%	4,876,003	57.3%	7,700,000	90.4%	Ⓞ	Ⓞ	19,367,090	7,311,076	12,056,014	62.3%	Ongoing
18 Virtual Branch Services	1,500,000	1,256,645	83.8%	243,355	16.2%	1,439,081	95.9%	Ⓞ	Ⓞ	6,842,000	3,709,564	3,132,436	45.8%	Ongoing
<b>Total- 2017 Capital Projects Cash Flow Gross</b>	<b>37,489,975</b>	<b>16,717,659</b>	<b>44.6%</b>	<b>20,772,316</b>	<b>55.4%</b>	<b>28,816,622</b>	<b>76.9%</b>	<b>Ⓞ</b>	<b>Ⓞ</b>	<b>150,697,290</b>	<b>66,709,575</b>	<b>83,987,715</b>	<b>55.7%</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