

**Capital Budget Monitoring Report – September 30, 2013**

<b>Date:</b>	November 18, 2012
<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 the Toronto Public Library’s capital expenditures for the nine-month period ending September 30, 2013.

Capital spending during the first nine months in 2013 totalled \$19.310 million or 49% of the approved gross cash flow of \$39.198 million. Capital expenditures are monitored on an on-going basis to ensure that spending is within the approved budget.

**FINANCIAL IMPACT**

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Based on the \$19.310 million actual spending and commitments, the 2013 gross capital budget of \$39.198 million is 49% spent as of September 30, 2013.

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

**ISSUE BACKGROUND**

Toronto Public Library’s 2013 capital budget of \$39.198 million gross is comprised of \$31.211 million of new approvals and \$7.987 million of carry forwards from 2012.

**COMMENTS**

As of September 30, 2013, TPL has spent \$19.310 million or 49% of the 2013 approved cash-flow of \$39.198 million. This spending rate is above the level of expenditure at this time in 2012 which was at 42%.

Attachment 1 includes a detailed list of all active projects, providing 2013 year-to-date and life-to-date project status, as well as projected expenditures to the end of the year. The expenditure rate for 2013 is projected to be \$36.045 million or 92% of the approved cash flow. Projects are proceeding as planned, with the following exceptions:

- **Library Processing Centre Relocation (\$10.725M project cost; \$6.0M 2013 cash flow):** Delays in obtaining site plan and building permit approval delayed the start of construction. It is estimated that \$3.000 million or 50% of the 2013 approved cash flow will be spent by year-end. The unspent funds of \$3.000 million will be carried forward to 2014.
- **Albion (\$15.007M project cost; \$0.263M 2013 cash flow):** The consultation and design process is underway. It is estimated that \$0.110 million or 42% of the 2013 approved cash flow will be spent by year-end. The unspent funds of \$0.153 million will be carried forward to 2014.
- **Fairview (\$4.641M project cost; \$2.461M 2013 cash flow):** The project is expected to overspend its 2013 cash flow by \$0.718 million or 29% more than the 2013 approved cash flow and requires to have this amount accelerated from the 2014 available cash flow, offset by cash deferrals in two projects in 2013: Technology Asset Management Program (\$0.359 million gross and debt), Multi-Branch Renovation Program (\$0.359 million gross and debt).
- **Technology Asset Management Program (\$13.772M project cost; \$4.262M 2013 cash flow):** The Technology Asset Management Program is for the acquisition, maintenance and replacement of all Information Technology hardware and software owned by the Library. \$0.359 million of hardware will be deferred to 2014.
- **Multi-Branch Renovation Program (\$8.297M project cost; \$3.506M 2013 cash flow):** This state of good repair renovation project is an effective way of keeping some branches functional until a major renovation can be funded. TPL anticipates \$0.359 million in planned 2013 expenditures will be deferred to 2014.

Financial control policies for the City and the Library allow for cash flows to be advanced and spent on accelerated projects to offset cash flow deferrals resulting from projects that are experiencing delays, as long as the overall approved debt level is not exceeded in any year.

A separate report, “*2013 – 2014 Capital Budget Adjustments*” provides more details of the \$0.718 million gross and debt acceleration of cash flow from 2014 to 2013 to allow the Fairview Library construction to continue uninterrupted, offset by the deferral of cash flow from 2013 to 2014 from projects that are experiencing delays.

Capital expenditures are monitored on an on-going basis to ensure that spending is within the approved budget.

## **CONTACT**

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## **SIGNATURE**

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Jane Pyper  
City Librarian

## **ATTACHMENTS**

Attachment 1: Capital Budget Monitoring Report for the Period Ending September 30, 2013