



STAFF REPORT INFORMATION ONLY

Capital Budget Monitoring Report – September 30, 2014

Date:	November 17, 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 nine-month period ending September 30, 2014.

Capital spending during the nine months in 2014 totalled \$20.063 million or 62.9% 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 \$20.063 million actual spending, the 2014 gross capital budget of \$31.900 million is 62.9% spent as of September 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 September 30, 2014, TPL has spent \$20.063 million or 62.9% of the 2014 approved cash-flow of \$31.900 million. This spending rate is above the level of expenditures at this time in 2013 which was at 49%.

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 \$30.050 million or 94.2% 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 Brentwood reconstruction project's capital expenditures totaled \$0.012 million or 5.8% of the 2014 approved cash flow of \$0.211 million. The branch reopened on November 2, 2012, but a dispute with a vendor remain unresolved. It is estimated that \$0.211 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The Self Service Circulation project's capital expenditures totaled \$1.341 million representing 93.7% of the 2014 approved cash flow of \$1.431 million. This is the final year of this seven-year \$10.590 million project, which included the installation of self-service check-in and check-out equipment throughout the library system, sorting equipment at the busiest locations, as well as the main sorting system at the library processing and distribution centre. The \$1.431 million approved 2014 cash flow is for the remaining equipment installation, including the main sorting system at 1076 Ellesmere. The project has a funding shortfall of \$0.329 million, which is 0.3% of the total project cost, and this will be funded by a budget transfer from the Mount Dennis project, which was completed under budget. Board approval of the budget transfer from the Mount Dennis Library Renovation project is being requested in a separate report.
- The Library Processing Centre Relocation project's capital expenditures totaled \$5.231 million representing 82.2% 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 Bridlewood renovation project's capital expenditures totaled \$0.199 million or 109.3% of the 2014 approved cash flow of \$0.182 million. This project is overspent as a result of unexpected site conditions. It is estimated that \$0.219 million or 120.3% of the 2014 approved cash flow will be spent by year-end. Board approval of an additional \$0.037 million is being requested in a separate report, to be funded by \$0.037 million budget transfer from the Mount Dennis Library Renovation project, which was completed under budget.

The total budget projected under-spending is mainly attributed to the following projects:

- The Toronto Reference Library project's capital expenditure totalled \$2.700 million representing 67.9% of the 2014 approved cash flow of \$3.978 million. Construction is completed, outstanding deficiencies remain to be addressed. It is estimated that \$3.678 million or 92.5% of the 2014 approved cash flow will be spent by year-end, requiring an estimated \$0.300 million carry forward.
- The Fort York Library Construction project's capital expenditure totalled \$1.635 million representing 61.0% of the 2014 approved cash flow of \$2.679 million. Construction is completed, outstanding deficiencies remain to be addressed. It is estimated that \$2.179

million or 81.3% of the 2014 approved cash flow will be spent by year-end, requiring an estimated \$0.500 million carry forward.

- The Scarborough Civic Centre Neighbourhood Construction project's capital expenditure totalled \$2.914 million representing 59.0% of the 2014 approved cash flow of \$4.936 million. Due to delays at start of construction, it is estimated that \$4.436 million or 89.9% of the 2014 approved cash flow will be spent by year-end, requiring an estimated \$0.500 million carry forward.
- The Multi Branch Minor renovation projects' capital expenditures totalled \$3.463 million or 61.5% of the 2014 approved cash flow of \$5.628 million. It is estimated that \$5.128 million or 91.1% of the 2014 approved cash flow will be spent by year-end since the construction tender for the Richview Library was not awarded until October 2014, requiring an estimated \$0.500 million carry forward.
- The Wychwood Library Renovation project's capital expenditure totalled \$0.0001 million or 0.1% of the 2014 approved cash flow of \$0.150 million. An architect has been hired, a structural review and soil testing are underway. It is estimated that \$0.100 million or 66.7% of the 2014 approved cash flow will be spent by year-end, requiring an estimated \$0.050 million carry forward.
- The Mount Dennis Library Renovation project's capital expenditures totalled \$0.017 million representing 4.4% of the 2014 approved cash flow of \$0.383 million. The Mount Dennis Library Renovation project has an approved budget of \$3.926 million. The branch reopened March 2013 and the project has been completed below budget. The projected year-end under-spending of \$0.366 million is due to lower than anticipated costs required to address deficiencies after construction. Board approval of a budget transfer of \$0.329 million to the Self-Service Circulation project and \$0.037 million to the Bridlewood Library project is being requested in a separate report.

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SIGNATURE

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ATTACHMENTS

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