

## Capital Budget Monitoring Report – September 30, 2019

<b>Date:</b>	November 25, 2019
<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 the TPL capital expenditures for the nine-month period ended September 30, 2019, as well as projected expenditures to December 31, 2019.

As detailed in Attachment 1, capital spending during the first nine months of 2019 totalled \$19.407 million or 54.5% of the gross cash flow of \$35.587 million, and is projected to be \$28.982 million or 81.4% by the end of the year. 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 \$19.407 million actual spending, the 2019 gross capital budget of \$35.587 million is 54.5% spent as of September 30, 2019.

The Director, Finance and Treasurer has reviewed this financial impact statement and agrees with it.

### **ISSUE BACKGROUND**

TPL's Council-approved [2019 capital budget](#) is \$35.587 million gross, which is comprised of \$28.674 million of new cash flows and \$6.913 million of unspent balances carried forward from 2018. Capital expenditure results are usually reported to the Toronto Public Library Board and the City on a quarterly basis.

## COMMENTS

Attachment 1 includes a list of all active projects, providing 2019 year-to-date and life-to-date project expenditure status, as well as projected expenditures to the end of the year. Capital spending during the first nine months of 2019 totalled \$19.407 million or 54.5% of the 2019 approved cash-flow of \$35.587 million and is projected to be \$28.982 million or 81.4% by the end of the year primarily due to delays in the Albert Campbell Library Renovation project, North York Central Library Renovation Phase 2 project and the Wychwood Library Renovation project as detailed below.

Most of TPL's capital projects are progressing according to plan, with the following exceptions:

- The Albert Campbell Library Renovation project's capital expenditure totalled \$0.666 million or 24.1% of the 2019 approved cash flow of \$2.763 million. Due to the length of the building permit approval process, the construction tender was delayed. It is estimated that \$1.708 million or 61.8% of the 2019 approved cash flow will be spent by year-end.
- The Centennial Library Renovation & Expansion project's capital expenditure totalled \$0.083 million or 28.9% of the 2019 approved cash flow of \$0.289 million. The project is experiencing minor delays due to negotiations with external stakeholders and property owners. It is estimated that \$0.123 million or 42.7% of the 2019 approved cash flow will be spent by year-end.
- The North York Central Library Renovation Phase 2 project's capital expenditure totalled \$1.148 million or 31.0% of the 2019 approved cash flow of \$3.705 million. The construction tender was awarded in September 2019, later than planned, resulting in reduced spending for the year. It is estimated that \$1.648 million or 44.5% of the 2019 approved cash flow will be spent by year-end.
- The St. Clair/Silverthorn Library project's capital expenditure totalled \$1.550 million or 132.5% of the 2019 approved cash flow of \$1.169 million. It is estimated that \$1.869 million or 159.9% of the 2019 approved cash flow will be spent by year-end. This project is completed. The over spending is primarily due to unexpected costs near the end of the project related to water connection issues and corresponding delay claims from contractors. Board endorsement of a budget transfer is being requested in a separate report to reallocate \$0.700 million gross (\$0.586 million debt) to this project from completed and under-spent projects.
- The Wychwood Library Renovation project's capital expenditure totalled \$3.125 million or 48.0% of the 2019 approved cash flow of \$6.509 million. Construction was

set back due to late delivery of structural steel. It is estimated that \$4.225 million or 64.9% of the 2019 approved cash flow will be spent by year-end.

- The Integrated Payment Solutions project's capital expenditure totalled \$0.274 million or 40.6% of the 2019 approved cash flow of \$0.675 million. This project is comprised of rolling out new cash registers and fines payment at self checkout terminals. The development phase of cash registers took longer than expected, which resulted in delays in installation. The rollout of fines payment at self checkout terminals was also experiencing delays due to technical issues. It is estimated that \$0.541 million or 80.2% of the 2019 approved cash flow will be spent by year-end.
- The Expansion of Technological Efficiencies project's capital expenditure totalled \$0.416 million or 62.4% of the 2019 approved cash flow of \$0.665 million. There were minor delays in the implementation of the VOIP project. It is estimated that \$0.500 million or 75.2% of the 2019 approved cash flow will be spent by year-end.
- The Answerline & Community Space Rental Modernization project's capital expenditure totalled \$0.429 million or 32.9% of the 2019 approved cash flow of \$1.304 million. The project is being delayed due to ongoing contract negotiation with the vendor. It is estimated that \$0.559 million or 42.8% of the 2019 approved cash flow will be spent by year-end.

### **In-Year 2019 Budget Adjustments**

Due to an over-expenditure in the St. Clair/Silverthorn Library project, a separate report, *2019 Capital Budget Adjustments*, requesting Board endorsement for in-year budgets adjustments, are summarized below.

#### St. Clair/Silverthorn Library Project

TPL is requesting a budget adjustment to increase the cost of the St. Clair/Silverthorn Library project by \$0.700 million gross (\$0.586 million debt). The increase will be funded by budget transfers from the Fort York Library New Construction project of \$0.074 million gross (\$0 debt), from the Perth/Dupont Library – 299 Campbell Ave design capital project of \$0.040 million gross (\$0 debt) and from the Multi-Branch State of Good Repair program of \$0.586 million gross and debt. The total project cost will increase from \$3.815 million to \$4.515 million.

#### Fort York Library New Construction Project

The Fort York Library New Construction project has an approved budget of \$9.192 million. This project has been completed below budget. The unspent funding of \$0.074 million gross (\$0 debt) will be transferred to the St. Clair/Silverthorn Library capital project.

### Perth/Dupont Library – 299 Campbell Ave Project

The design phase for this project is completed. Project construction is expected to commence in 2023. The remaining unspent design funding of \$0.040 million will be transferred to the St. Clair/Silverthorn Library capital project.

### Multi-Branch State of Good Repair program

To fund the remaining unexpected cost increase of the St. Clair/Silverthorn Library project, a budget transfer of \$0.586 million gross and debt will be reallocated from the Multi-Branch State of Good Repair program.

## **CONTACT**

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## **SIGNATURE**

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Vickery Bowles  
City Librarian

## **ATTACHMENTS**

Attachment 1: Capital Budget Monitoring Report for the Period Ended September 30, 2019

**Toronto Public Library  
2019 Capital Budget Monitoring Report  
For the Nine Month Period Ended September 30, 2019**

**ATTACHMENT 1**

Project/Sub-Project Name	2019 - Year-to-Date			2019 - Year End				Life To Date				Expected Year of Completion
	2019 Full Year Budget	Spent		Projected Actuals to Year-end				Budget \$	Actuals \$	Unspent / (Overspent)		
		\$	%	\$	% of Budget	On Budget	On Time			\$	%	
1 Albert Campbell Library Renovation	2,762,954	665,822	24.1%	1,707,822	61.8%	Ⓞ	Ⓞ	15,539,000	967,868	14,571,132	93.8%	2022
2 Albion Library Renovation	90,355	90,355	100.0%	90,355	100%	Ⓞ	Ⓞ	15,307,000	15,307,000	0	0.0%	2019
3 Bayview-Bessarion Library Relocation	2,154,380	2,154,380	100.0%	2,154,380	100%	Ⓞ	Ⓞ	15,322,000	3,838,735	11,483,265	74.9%	2022
4 Centennial Renovation & Expansion - Design	289,000	83,416	28.9%	123,416	43%	Ⓡ	Ⓞ	334,000	128,416	205,584	61.6%	2020
5 Dawes Road Construction & Expansion	280,924	172,794	61.5%	280,924	100%	Ⓞ	Ⓞ	23,624,000	4,996,870	18,627,130	78.8%	2025
6 Fort York Library Construction	128,488	54,105	42.1%	54,105	42%	Ⓡ	Ⓞ	9,192,000	9,117,617	74,383	0.8%	2019
7 Guilwood Renovation & Expansion	1,031,445	983,935	95.4%	1,031,445	100%	Ⓞ	Ⓞ	1,183,000	1,135,490	47,510	4.0%	2019
8 North York Central Library Renovation Phase 2	3,704,746	1,148,286	31.0%	1,648,286	44%	Ⓡ	Ⓞ	12,118,000	3,107,540	9,010,460	74.4%	2022
9 Perth/Dupont Relocation-299 Campbell Ave - Design	45,224	2,000	4.4%	5,000	11%	Ⓡ	Ⓞ	80,000	36,776	43,224	54.0%	2019
10 Richview Building Elements	199,000	8,648	4.3%	199,000	100%	Ⓞ	Ⓞ	3,509,000	8,648	3,500,352	99.8%	2024
11 St. Clair/Silverthorn Renovation	1,169,184	1,549,728	132.5%	1,869,184	160%	Ⓡ	Ⓞ	3,815,400	4,195,944	(380,544)	(10.0%)	2019
12 Wychwood Library Renovation	6,508,956	3,124,750	48.0%	4,224,750	65%	Ⓞ	Ⓞ	15,795,600	5,121,794	10,673,806	67.6%	2022
13 York Woods Library Renovation	2,372,110	1,182,933	49.9%	2,372,110	100%	Ⓞ	Ⓞ	10,158,000	1,330,080	8,827,920	86.9%	2022
14 Multi-Branch State of Good Repair Program	5,912,527	3,499,390	59.2%	5,327,134	90%	Ⓞ	Ⓞ	22,724,090	15,656,354	7,067,736	31.1%	Ongoing
15 Technology Asset Management Program	5,005,423	2,609,900	52.1%	5,005,423	100%	Ⓞ	Ⓞ	16,540,000	7,082,420	9,457,580	57.2%	Ongoing
16 Virtual Branch Services	1,288,118	958,019	74.4%	1,288,118	100%	Ⓞ	Ⓞ	6,550,000	3,269,901	3,280,099	50.1%	Ongoing
17 Integrated Payment Solutions	674,735	274,178	40.6%	541,455	80%	Ⓞ	Ⓞ	2,250,000	1,849,443	400,557	17.8%	2020
18 Expansion of Technological Efficiencies	665,405	415,518	62.4%	500,405	75%	Ⓞ	Ⓞ	1,600,000	1,350,113	249,887	15.6%	2020
19 Answerline & Community Space Rental Modernization	1,303,837	428,633	32.9%	558,633	43%	Ⓡ	Ⓡ	1,400,000	524,796	875,204	62.5%	2020
<b>Total- 2019 Capital Projects Cash Flow Gross</b>	<b>35,586,811</b>	<b>19,406,790</b>	<b>54.5%</b>	<b>28,981,944</b>	<b>81.4%</b>	<b>Ⓞ</b>	<b>Ⓞ</b>	<b>177,041,090</b>	<b>79,025,805</b>	<b>98,015,285</b>	<b>55.4%</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

