

Capital Budget Monitoring Report – September 30, 2020

Date:	November 16, 2020
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

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, 2020, as well as projected expenditures to December 31, 2020.

As detailed in Attachment 1, capital spending during the first nine months of 2020 totalled \$22.595 million or 58.7% of the gross cash flow of \$38.497 million in the approved capital budget, and is projected, on a preliminary basis, to be 91.0% spent by the end of the year.

FINANCIAL IMPACT

Based on the \$22.595 million actual spending, the 2020 gross approved capital budget of \$38.497 million is 58.7% spent as of September 30, 2020, and is projected to be 91.0% spent by the end of the year. However, the 91.0% projected spend rate will be reduced to approximately 79.0% after third quarter in-year budget adjustments, to bring forward 2021 cash flows for three projects that have cash-flow spending ahead of schedule and one project requiring an increase in budget funding. These adjustments result in a larger 2020 gross capital budget.

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

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

ISSUE BACKGROUND

TPL's Council-approved [2020 Capital Budget](#) of \$38.497 million gross is comprised of: \$36.250 million new cash flows; \$2.811 million of unspent balances carried forward from 2019; \$0.564 million decrease due to a technical adjustment to reduce the 2020 cash flow for five projects that were overspent in 2019 and increase the budget of one project. Capital expenditure results are usually reported to the Library Board and the City on a quarterly basis.

COMMENTS

September 30, 2020 - Capital Budget Spending

Attachment 1 includes a list of all active projects, providing 2020 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 2020 totalled \$22.595 million or 58.7% of the 2020 approved cash-flow of \$38.497 million and is projected to be \$35.041 million or 91.0% spent at year end prior to the impact of in-year budget adjustments.

Four capital projects are spending ahead of schedule and require in-year budget adjustments. An in-year budget adjustment of \$5.884 million is included in the third quarter Capital Variance report for Council's approval to bring forward \$5.778 million gross of 2021 cash flows to fund the anticipating over spending in 2020 for three projects – Albert Campbell, North York Central Library and York Woods - and to increase funding of \$0.106 million for one project (Centennial) as summarized below.

Budget Adjustment (\$ million)

Description	2020			2021		
	Gross	Debt	Other	Gross	Debt	Other
Advance cash flow						
Accelerate Albert Campbell cash flow	1.197	1.197		(1.197)	(1.197)	
Accelerate North York Central Library cash flow	2.395	2.395		(2.395)	(2.395)	
Accelerate York Woods cash flow	2.186	2.186		(2.186)	(2.186)	
Subtotal	5.778	5.778	0.000	(5.778)	(5.778)	0.000
Increase Funding						
Increase Centennial Library - Design phase cash flow and budget	0.106		0.106			
Subtotal	0.106	0.000	0.106	0.000	0.000	0.000
Net	5.884	5.778	0.106	(5.780)	(5.778)	0.000

These cash-flow adjustments will result in a larger 2020 gross capital budget and as a result the year-end spending rate will be revised and reduced to 79.0%. as shown in the following table.

	2020 Approved Budget			2020 Adjusted Budget				
	2020 Approved Budget (\$M)	Projected Year-End Actual (\$M)	Projected Spend Rate	2020 Approved Budget (\$M)	Budget Adjustment Request (\$M)	2020 Adjusted Budget (\$M)	Projected Year-End Actual (\$M)	Projected Spend Rate
Total 2020 Cash Flow Gross	38.497	35.041	91.0%	38.497	5.884	44.381	35.041	79.0%

Impacts of COVID-19 on capital spending

The COVID-19 pandemic has negatively impacted planning and execution of some capital projects, especially smaller state of good repair work and new projects approved in 2020, which had not already started, and will result in reduced spending in those projects. However, larger renovation projects that had already been tendered have been progressing mostly ahead of schedule and an in-year budget adjustment for accelerated spending is therefore being requested to fund these 2020 expenditures.

CONTACT

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SIGNATURE

Vickery Bowles
 City Librarian

ATTACHMENTS

Attachment 1: Capital Budget Monitoring Report for the Period Ended September 30, 2020

**Toronto Public Library
2020 Capital Budget Monitoring Report
For the Nine Month Period Ended September 30, 2020**

ATTACHMENT 1

Project/Sub-Project Name	2020 - Year-to-Date					2020 - Year End				Life To Date				Expected Year of Completion
	2020 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 Albert Campbell Renovation - Construction	4,276,966	3,960,973	92.6%	315,993	7.4%	5,473,966	128.0%	Ⓡ	Ⓢ	17,939,000	5,622,008	12,316,992	68.7%	2022
2 Answerline and Community Space Rental Modernization	829,099	74,450	9.0%	754,649	91.0%	83,121	10.0%	Ⓡ	Ⓡ	1,400,000	645,352	754,648	53.9%	2021
3 Bayview-Bessarion Library Relocation	3,857,064	2,168,323	56.2%	1,688,741	43.8%	3,857,064	100.0%	Ⓢ	Ⓢ	15,322,000	6,231,994	9,090,006	59.3%	2022
4 Centennial - Design	290,445	335,880	115.6%	(45,435)	(15.6%)	395,880	136.3%	Ⓡ	Ⓢ	502,070	547,505	(45,435)	(9.0%)	2020
5 Dawes Road Reconstruction & Expansion	30,371	-	0.0%	30,371	100.0%	5,000	16.5%	Ⓡ	Ⓢ	19,824,000	5,274,629	14,549,371	73.4%	2025
6 Digital Experiences (Virtual Branch Services)	1,382,172	859,359	62.2%	522,813	37.8%	1,382,172	100.0%	Ⓢ	Ⓢ	7,500,000	1,027,187	6,472,813	86.3%	ongoing
7 Expansion of Technological Efficiencies	171,040	171,040	100.0%	(0)	(0.0%)	171,040	100.0%	Ⓢ	Ⓢ	1,600,000	1,600,001	(1)	(0.0%)	2020
8 Integrated Payment Solutions	273,234	127,677	46.7%	145,557	53.3%	128,389	47.0%	Ⓡ	Ⓢ	2,250,000	2,104,442	145,558	6.5%	2021
9 Mall Branch Relocation	100,000	7,632	7.6%	92,368	92.4%	7,632	7.6%	Ⓡ	Ⓡ	6,119,000	7,632	6,111,368	99.9%	2022
10 Maryvale Relocation	1,648,000	14,142	0.9%	1,633,858	99.1%	30,000	1.8%	Ⓡ	Ⓡ	2,714,000	14,142	2,699,858	99.5%	2022
11 Multi-Branch Minor Renovation Program	5,757,768	2,138,850	37.1%	3,618,918	62.9%	4,038,850	70.1%	Ⓢ	Ⓢ	48,040,697	16,057,579	31,983,118	66.6%	ongoing
12 North York Central Library Phase 2	3,447,423	4,432,303	128.6%	(984,880)	(28.6%)	5,842,423	169.5%	Ⓡ	Ⓢ	12,718,000	10,102,881	2,615,119	20.6%	2021
13 Northern District Renovation - Design	100,000	-	0.0%	100,000	100.0%	-	0.0%	Ⓡ	Ⓡ	251,000	-	251,000	100.0%	2021
14 Northern District Streetscaping	495,000	53,118	10.7%	441,882	89.3%	53,118	10.7%	Ⓡ	Ⓡ	990,000	53,118	936,882	94.6%	2021
15 Richview Building Elements (SOG)	174,610	-	0.0%	174,610	100.0%	-	0.0%	Ⓡ	Ⓡ	3,546,017	61,407	3,484,610	98.3%	2024
16 Service Modernization and Transformation	1,000,000	162,863	16.3%	837,137	83.7%	290,459	29.0%	Ⓡ	Ⓡ	5,153,000	162,863	4,990,137	96.8%	ongoing
17 Technology Asset Management Program	5,129,895	1,398,925	27.3%	3,730,970	72.7%	3,430,049	66.9%	Ⓢ	Ⓢ	28,364,000	2,671,030	25,692,970	90.6%	ongoing
18 Toronto Reference Library Renovation	1,500,000	-	0.0%	1,500,000	100.0%	427,000	28.5%	Ⓡ	Ⓡ	9,960,000	-	9,960,000	100.0%	ongoing
19 Wychwood Library Renovation	4,161,600	2,366,473	56.9%	1,795,127	43.1%	3,366,473	80.9%	Ⓢ	Ⓢ	15,795,600	8,623,640	7,171,960	45.4%	2022
20 York Woods Renovation	3,872,658	4,323,480	111.6%	(450,822)	(11.6%)	6,058,658	156.4%	Ⓡ	Ⓢ	11,758,000	6,328,822	5,429,178	46.2%	2021
Total 2020 Capital Projects Cash Flow Gross	38,497,345	22,595,487	58.7%	15,901,858	41.3%	35,041,294	91.0%	Ⓢ	Ⓢ	211,746,384	67,136,231	144,610,153	68.3%	

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

