

Capital Budget Monitoring Report – June 30, 2020

Date:	September 21, 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 six-month period ended June 30, 2020, as well as projected expenditures to December 31, 2020.

As detailed in Attachment 1, capital spending during the first six months of 2020 totalled \$15.558 million or 40.4% of the gross cash flow of \$38.497 million in the approved capital budget, and is projected, on a preliminary basis, to be 100% spent by the end of the year, before any in-year adjustments.

FINANCIAL IMPACT

Based on the \$15.558 million actual spending, the 2020 gross approved capital budget of \$38.497 million is 40.4% spent as of June 30, 2020 and is projected to be 100% spent by the end of the year. However, the 100% projected spent rate will be decreased to approximately 87% after in-year budget adjustments, to be done in the third quarter, to bring forward 2021 cash flows for three projects that have cash flow spending ahead of schedule.

The year-end forecast spending is preliminary at this time based on how specific projects are currently tracking. As the City continues to deal with unprecedented budget pressures, and given uncertainties related to COVID-19, the actual spend rate at year end may be impacted.

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; \$0.732 million decrease due to technical adjustment to reduce the 2020 cash flow for five projects that were overspent in 2019; and \$0.168 million cost increase for the design of the Centennial Library project. Capital expenditure results are usually reported to the Library Board and the City on a quarterly basis.

In-Year 2020 Budget Adjustments

As per the City of Toronto Financial Control By-Law, a delegated authority in-year budget adjustment of \$0.168 million gross was made to reallocate funding from Multi-Branch Renovation Program to Centennial Library – Design phase project, due to the Centennial Library project progressing ahead of schedule. The funding was available in Multi-Branch Renovation Program as a result of project delays in 2020.

COMMENTS

June 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. The year-end projected spending is preliminary at this time as the full impact of COVID-19, as discussed later in this report, is not known. Capital spending during the first six months of 2020 totalled \$15.558 million or 40.4% of the 2020 approved cash-flow of \$38.497 million and is projected to be \$38.492 million or 100% spent at year end. Three capital projects are spending ahead of schedule. An in-year budget adjustment will be done in the third quarter to bring forward \$5.778 million gross of 2021 cash flows to fund the 2020 expenditures which will result in an adjusted budget of \$44.275 million which will result in an 87% spending rate of the revised gross budget.

Impacts of COVID-19 on capital spending

The COVID-19 pandemic has negatively impacted planning and execution of capital projects, especially smaller state of good repair work and new projects approved in 2020, 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 will likely require advances from future year cash flows to fund the 2020 expenditures. Should these budget adjustments be required they will be brought to the Board along with third quarter variance reporting in November.

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

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

**Toronto Public Library
2020 Capital Budget Monitoring Report
For the Six Month Period Ended June 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)	(i)	(j)	(k)	(l) = (j) - (k)	(m) = (l) / (j)	
1 Albert Campbell Renovation - Construction	4,276,966	2,744,279	64.2%	1,532,687	35.8%	5,474,279	128.0%	Ⓡ	Ⓢ	17,939,000	4,405,314	13,533,686	75.4%	2022
2 Answerline and Community Space Rental Modernization	829,099	56,756	6.8%	772,343	93.2%	635,123	76.6%	Ⓢ	Ⓨ	1,400,000	627,658	772,342	55.2%	2021
3 Bayview-Bessarion Library Relocation	3,857,064	1,158,862	30.0%	2,698,202	70.0%	3,857,064	100.0%	Ⓢ	Ⓢ	15,322,000	5,222,533	10,099,467	65.9%	2022
4 Centennial - Design	290,445	327,089	112.6%	(36,644)	(12.6%)	507,089	174.6%	Ⓡ	Ⓢ	502,070	538,714	(36,644)	(7.3%)	2020
5 Dawes Road Reconstruction & Expansion	30,371	-	0.0%	30,371	100.0%	30,371	100.0%	Ⓢ	Ⓢ	19,824,000	5,274,629	14,549,371	73.4%	2025
6 Digital Experiences (Virtual Branch Services)	1,382,172	548,914	39.7%	833,258	60.3%	1,382,172	100.0%	Ⓢ	Ⓢ	7,500,000	716,742	6,783,258	90.4%	ongoing
7 Expansion of Technological Efficiencies	171,040	132,621	77.5%	38,419	22.5%	171,040	100.0%	Ⓢ	Ⓢ	1,600,000	1,561,582	38,418	2.4%	2020
8 Integrated Payment Solutions	273,234	117,200	42.9%	156,034	57.1%	172,967	63.3%	Ⓨ	Ⓨ	2,250,000	2,093,965	156,035	6.9%	2021
9 Mall Branch Relocation	100,000	-	0.0%	100,000	100.0%	5,000	5.0%	Ⓡ	Ⓡ	6,119,000	-	6,119,000	100.0%	2023
10 Maryvale Relocation	1,648,000	-	0.0%	1,648,000	100.0%	30,000	1.8%	Ⓡ	Ⓡ	2,714,000	-	2,714,000	100.0%	2022
11 Multi-Branch Minor Renovation Program	5,757,768	1,511,484	26.3%	4,246,284	73.7%	4,911,484	85.3%	Ⓢ	Ⓨ	48,040,697	15,430,213	32,610,484	67.9%	ongoing
12 North York Central Library Phase 2	3,447,423	3,301,981	95.8%	145,442	4.2%	5,841,981	169.5%	Ⓡ	Ⓢ	12,718,000	8,972,559	3,745,441	29.4%	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 (SOGR)	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	113,782	11.4%	886,218	88.6%	350,511	35.1%	Ⓡ	Ⓨ	5,153,000	113,782	5,039,218	97.8%	ongoing
17 Technology Asset Management Program	5,129,895	958,149	18.7%	4,171,746	81.3%	5,129,895	100.0%	Ⓢ	Ⓢ	28,364,000	2,230,254	26,133,746	92.1%	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	1,554,839	37.4%	2,606,761	62.6%	3,454,839	83.0%	Ⓢ	Ⓨ	15,795,600	7,812,007	7,983,593	50.5%	2022
20 York Woods Renovation	3,872,658	2,978,449	76.9%	894,209	23.1%	6,058,449	156.4%	Ⓡ	Ⓢ	11,758,000	4,983,791	6,774,209	57.6%	2021
Total 2020 Capital Projects Cash Flow Gross	38,497,345	15,557,523	40.4%	22,939,822	59.6%	38,492,383	100.0%	Ⓢ	Ⓢ	211,746,384	60,098,267	151,648,117	71.6%	

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

