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STAFF REPORT INFORMATION ONLY

Capital Budget Monitoring Report – June 30, 2023

Date: September 18, 2023

To: Toronto Public Library Board

From: City Librarian

SUMMARY

The purpose of this report is to provide the Toronto Public Library Board (the Board) with the Toronto Public Library (TPL) capital budget expenditures for the six-month period ended June 30, 2023, as well as projected expenditures to December 31, 2023.

Capital spending during the first six months of 2023 totalled \$14.237 million or 28.4% of the gross cash flow budget. The year-end forecast is approximately 71.6% budget spending.

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

FINANCIAL IMPACT

Based on the \$14.237 million actual spending, the 2023 gross capital budget of \$51.161 million is 28.4% spent as of June 30, 2023. The year-end forecast of approximately 71.6% budget spending is based on how specific projects are currently tracking.

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

ALIGNMENT WITH STRATEGIC PLAN

The 2023 capital budget supports TPL's strategic plan objectives, in particular: provide quality, accessible & inclusive public spaces; increase access to technology & digital literacy; and deliver exceptional customer experiences.

TPL's 2023 capital budget aligns and supports Council's strategic vision to make Toronto a centre of innovation and growth. The capital program builds and maintains beautiful public space in every neighbourhood and leverages digital advances and technology to create smart and efficient services. By enhancing the accessibility and inclusivity of library branches and expanding digital access, the plan supports equitable access to library services for all and enhances investment and quality of life in neighbourhoods across the city.

The capital budget monitoring report is a public-facing reporting and tracking tool that demonstrates openness and accountability and is a key performance indicator to support the Financial Stewardship strategic objective within TPL's 2020-2024 Strategic Plan.

EQUITY IMPACT STATEMENT

The 2023 capital budget is informed by the principles of equity and access and advances the work required under the Accessibility for Ontarians with Disabilities Act (AODA). The capital budget was developed using the facilities master plan with access as one of the key drivers for investment in capital projects. The budget will increase TPL's capacity to align the investment in library facilities and services with need and demand across the city. It seeks to

improve equity with respect to facility and service access for all residents, including equity-deserving groups in the city of Toronto.

DECISION HISTORY

On February 27, 2023, the Board considered and adopted the [Council-approved 2023-2032 capital budget and plan](#).

ISSUE BACKGROUND

TPL's Council-approved 2023 Capital Budget is \$51.234 million gross, which is comprised of \$50.308 million of new cash flows, \$2.210 million of unspent balances carried forward from 2022 and a decrease of \$1.284 million from a technical adjustment to reduce the 2023 cash flow for two projects that were overspent in 2022.

Capital expenditure results are usually reported to the Library Board and the City on a quarterly basis and also when a financial report is required by the City outside of quarter-ends.

The [City's Tax Supported Programs and Agencies](#) reported a capital spend rate of 62.3% for the twelve month period ended December 31, 2022 and a five-year average spend rate of 66.7%. TPL's 2022 spend rate of 73.4% is above the City's spend rate.

COMMENTS

June 30, 2023 - Capital Budget Spending

A list of all active projects is included in Attachment 1, which provides 2023 year-to-date and life-to-date project expenditure status as well as projected expenditures to the end of the year, and comments for those projects spending ahead of or behind schedule. Capital spending during the first six months of 2023 totalled \$14.237 million or 28.4% of the 2023 approved cash-flow and is projected to be approximately 71.6% spent by the end of the year. The projected spending rate is mainly driven by:

- Continued delays in the Centennial project, which is waiting for the City to provide site plan approval;

- Construction for the Dawes Road project is now expected to start in mid to late 2024 due to delays in site plan approval from the City;
- Delays in finalizing some of the design-specification requirements within the Toronto Reference Library (TRL) which will result in lower spending in the TRL Renovation capital project in 2023;
- Later than expected start of construction in the Perth/Dupont 299 Campbell project due to delays in obtaining agreement between City and Developer on when TPL can take ownership title and assume occupancy in the building; and
- A few projects within Information Technology Services, including Digital Experiences and Technology Asset Management Program capital projects, are spending behind schedule mainly due to changes in scope and sourcing of new suppliers.

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

In-Year 2023 Technical Budget Adjustments – Q2

As part of the Second Quarter Capital Variance report, the following in-year technical budget adjustments have been sent to the City:

Table 1: 2023 CAPITAL IN-YEAR TECHNICAL BUDGET ADJUSTMENTS (\$ millions)

Project Name	2023		2024	
	Gross	Debt	Gross	Debt
Technical Adjustments				
MB Renovation Pgm Accessibility - 2022 cfwd	(0.993)	(0.993)	0.993	0.993
Service and Digital Modernization - 2022 cfwd	(0.381)	(0.381)	0.381	0.381
Subtotal	(1.374)	(1.374)	0.993	1.374
Total Adjustment	(1.374)	(1.374)	1.374	1.374

The in-year technical budget adjustments consist of moving the 2022 unspent carry forward amount from 2023 to 2024 for the Multi-Branch Accessibility project (\$0.993 million) and the Service and Digital Modernization project (\$0.381 million).

Three capital projects; Albert Campbell Library, York Woods Library, and North York Central Library Phase 2; have incurred expenditures in 2023 above budget.

As it is still too early in the year to determine the exact amount of the expenditure, an in-year budget adjustment to transfer funds from underspent projects will be requested in a future report.

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

Attachment 1: Capital Budget Monitoring Report for the Period Ended June 30, 2023

Toronto Public Library
2023 Capital Budget Monitoring Report
For the Period Ended June 30, 2023

ATTACHMENT 1

Project/Sub-Project Name	2023 - Year-to-Date						2023 - Year End				Life To Date				Comments	
	2023 Full Year	Spent		Unspent / (Overspent)		Projected Actuals to Year-end			Budget	Actuals	Unspent / (Overspent)		Expected Year of Completion			
		Budget	\$	%	\$	%	\$	% of Budget	On Budget	On Time	\$	%				
		(a)	(b)	(c) = (a) / (b)	(d) = (a) - (b)	(e) = (d) / (a)	(f)	(g)	(h)	(i)	(j)	(k)	(l) = (j) - (k)	(m) = (l) / (j)	(n)	
1 299 Campbell Ave - Perth/Dupont Relocation	3,359,000	3,639	0.1%	3,355,361	99.9%	3,639	0.1%	₹	₹	5,896,776	1,323,911	4,572,865	77.5%	2024	Repeated delays in agreement between City and Developer on when TPL can take ownership title to start the fit out for the branch	
2 Albert Campbell Renovation - Construction	160,303	n.a.	(160,303)	n.a.	446,303	n.a.	₹	₹	₹	₹	21,468,630	21,629,194	(160,564)	(0.7%)	2022	Branch re-opened on July 25, 2022. Working on deficiencies. Budget funding for overspent will be transferred from underspent projects in Q3
3 Bridlewood Branch Relocation	4,862,000	3,240,564	66.7%	1,621,436	33.3%	4,862,000	100.0%	₹	₹	9,787,000	3,819,154	5,967,846	61.0%	2024		
4 Centennial Reconstruction and Expansion	3,500,000	51,028	1.5%	3,448,972	98.5%	51,028	1.5%	₹	₹	21,613,266	934,100	20,679,166	95.7%	2026	City delays in providing site plan approval continues	
5 Dawes Road Reconstruction & Expansion	2,533,504	198,720	7.8%	2,334,784	92.2%	210,720	8.3%	₹	₹	36,206,045	6,720,216	29,485,829	81.4%	2027	Construction tender targeted in Q4. Construction to start in 2024	
6 Deer Park - Design	144,000	-	0.0%	144,000	100.0%	144,000	100.0%	₹	₹	144,000		144,000	100.0%	2023		
7 Digital Experiences	2,095,000	131,763	6.3%	1,963,237	93.7%	864,144	41.2%	₹	₹	8,341,000	3,542,121	4,798,879	57.5%	ongoing	Some projects were re-prioritized	
8 Ethennonnhawahstihnen' Library - Bayview Library Relocation	500,000	313,592	62.7%	186,408	37.3%	500,000	100.0%	₹	₹	15,957,272	15,770,864	186,408	1.2%	2023		
9 Etobicoke New Construction - Design	564,000	900,012	159.6%	(336,012)	(59.6%)	1,164,000	206.4%	₹	₹	1,463,000	1,199,012	263,988	18.0%	2024		
0 Lillian H. Smith - Design	200,000	29,195	14.6%	170,805	85.4%	92,495	46.2%	₹	₹	3,000,000	29,195	2,970,805	99.0%	2026	RFP for Architectural feasibility targeted in Q4 after completion of the due diligence and energy audit	
1 Maryvale Relocation	435,413	64,958		370,455	85.1%	100,000	23.0%	₹	₹	3,333,000	2,776,958	556,042	16.7%	2022	Branch re-opened on Sept 12, 2022. Working on deficiencies. Unspent budget will be transferred to overspent projects in Q3	
2 Multi-Branch Minor Renovation Program	12,147,389	2,879,836	23.7%	9,267,553	76.3%	12,147,389	100.0%	₹	₹	34,635,832	20,756,655	13,879,177	40.1%	ongoing		
3 North York Central Library Phase 2	-	313,009	n.a.	(313,009)	n.a.	363,009	n.a.	₹	₹	13,843,998	14,157,007	(313,009)	(2.3%)	2022	Budget funding for overspent will be transferred from underspent projects in Q3	
4 Northern District Exterior	3,163,654	1,272,305	40.2%	1,891,349	59.8%	3,163,654	100.0%	₹	₹	3,204,936	1,313,587	1,891,349	59.0%	2023		
5 Parkdale - Design	502,000	-	0.0%	502,000	100.0%	-	0.0%	₹	₹	1,719,000	-	1,719,000	100.0%	2025	Project is delayed	
6 Pleasant View - Design	367,622	223,563	60.8%	144,059	39.2%	338,122	92.0%	₹	₹	4,774,622	491,563	4,283,059	89.7%	2023		
7 Richview Building Elements (SOGR)	1,211,610	10,853	0.9%	1,200,757	99.1%	363,147	30.0%	₹	₹	3,546,017	110,471	3,435,546	96.9%	2024	Phase 1 (waterproofing system) will be done in 2023. Phase 2 deferred to 2024 as it requires city approval (permit to discharge the water)	
8 Service and Digital Modernization	6,506,000	1,267,274	19.5%	5,238,726	80.5%	4,292,658	66.0%	₹	₹	20,628,000	5,654,494	14,973,506	72.6%	ongoing	Some projects within the digital modernization capital project were re-prioritized	
9 St. Lawrence - Design	100,000	25,000	25.0%	75,000	75.0%	25,000	25.0%	₹	₹	1,932,000	25,000	1,907,000	98.7%	2025	RFP for architectural services is dependent on determining city partnership	
10 Technology Asset Management Program	5,070,117	1,712,341	33.8%	3,357,776	66.2%	3,956,971	78.0%	₹	₹	25,452,000	14,147,224	11,304,776	44.4%	ongoing		
11 Toronto Reference Library Renovation	2,400,000	527,602	22.0%	1,872,398	78.0%	1,248,087	52.0%	₹	₹	9,710,000	2,861,516	6,848,484	70.5%	ongoing	Tender for construction of renovation deferred to 2024 due to rescoping	

Toronto Public Library
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ATTACHMENT 1

Project/Sub-Project Name	2023 - Year-to-Date								2023 - Year End				Life To Date				Comments		
	2023 Full Year	Spent		Unspent / (Overspent)		Projected Actuals to Year-end				Budget	Actuals	Unspent / (Overspent)		Expected Year of Completion					
		Budget	\$	%	\$	%	\$	% of Budget	On Budget	On Time	\$	\$	\$	%					
	(a)	(b)	(c) = (a) / (b)	(d) = (a) - (b)	(e) = (d) / (a)	(f)	(g)	(h)	(i)	(j)	(k)	(l) = (j) - (k)	(m) = (l) / (j)	(n)					
	22 Wychwood Renovation	500,000	130,445	26.1%	369,555	73.9%	500,000	100.0%	⌚⌚	⌚⌚	15,795,600	14,872,604	922,996	5.8%	2023	Branch re-opened on Oct 3, 2022. Working on deficiencies and lawn bowling.			
23 York Woods Renovation		780,841	n.a.	(780,841)	n.a.	1,072,819	n.a.	⌚⌚	⌚⌚	13,944,620	14,725,461	(780,841)	(5.6%)	2023	Projected opening in July. Construction on the lower level is progressing well. Budget funding will be transferred from underspent projects in Q3				
Total 2023 Capital Projects Cash Flow Gross		50,161,309	14,236,843	28.4%	35,924,466	71.6%	35,909,185	71.6%	⌚⌚	⌚⌚	276,396,614	146,860,307	129,536,307	46.9%					

On Time

On Budget

On / Ahead of Schedule



>70% of Approved Cash Flow

Minor Delays < 6 months



Between 50% and 70% of Approved Cash Flow

Significant Delays > 6 months



< 50% or >100% of Approved Cash Flow