



STAFF REPORT INFORMATION ONLY

19.

Capital Budget Monitoring Report – June 30, 2011

Date:	September 13, 2011
To:	Toronto Public Library Board
From:	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 (TPL) capital expenditures for the six-month period ending June 30, 2011. This report also describes proposed budget adjustments in order to provide funding for efficiency projects.

Capital spending during the first six months in 2011 totalled \$7.847 million or 28.6% of the approved gross cash flow of \$27.451 million. Capital expenditures are monitored on an on-going basis to ensure that spending is within the approved budget.

FINANCIAL IMPACT

Based on the \$7.847 million actual spending and commitments, the 2011 gross capital budget of \$27.451 million is 28.6% spent as of June 30, 2011, and projected to be over 90% spent by the end of the year.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

ISSUE BACKGROUND

TPL's 2011 capital budget of \$27.451 million gross is comprised of \$23.486 million of new approvals and \$3.965 million of unspent carry-forwards from 2010.

COMMENTS

As of June 30, 2011, TPL has spent \$7.847 million or 28.6% of the 2011 approved cash-flow of \$27.451 million. Although most TPL projects are progressing according to plan, projects experiencing significant delays are described below. Attachment 1 includes a detailed list of all active projects, providing 2011 year-to-date and life-to-date project status, as well as projected expenditures by the end of the year.

The *Service Efficiency Update* report to the Board describes budget-saving efficiencies through consolidations and introducing technology and automation, some of which require capital investments. Under-expenditures for some projects in 2011 have created opportunities to redirect funding in order to achieve efficiencies savings and these adjustments are included in the *2011 Capital Budget Technical Adjustments – June 30, 2011* report to the Board.

Projects Experiencing Delays

- Malvern Branch and Youth Space (\$2.250 M project cost, \$2.1 M 2011 cash flow)
The Malvern Branch and youth space known as The S.P.O.T. Initiative (Success, Power, Opportunities, Teamwork) is a project funded through the Partnership Opportunity Legacy Fund and the Youth Challenge Fund. The start of this project was delayed due to late permit approvals. The project is now under construction, but it is projected that only \$1.0 million or 47% of the approved 2011 cash flow will be spent by the end of the year.

The proposal is to take advantage of the under-expenditure at Malvern and advance \$0.7 million from the 2012 multi-branch capital project for the 2011 multi-branch project to be used to fund consolidations of the delivery hubs and the Bookmobile and Home Library Service.
- Scarborough Centre Neighbourhood Branch (\$8.797 M project cost, \$0.521 M 2011 cash flow)
The Scarborough capital project is for the construction of a new neighbourhood library. Public consultation has taken place and the project design is being completed. The Site plan approval process will commence in fall 2011. It is projected that \$0.250 of the approved 2011 cash flow for this project will be spent in 2011 and \$0.271 million will be carried forward into 2012.
- Virtual Branch Services (VBS) (\$4.679 M project cost, \$1.904 M 2011 cash flow)
VBS is a multi-year, multi-phase project for enhancements to the Library's online services and the 2011 funding is not projected to be fully spent. The proposal is to reduce the scope of the 2011 Virtual Branch Services project by \$1.0 million and transfer the funds to the self-service RFID project in order to fund automated sorters and the first phase of implementing the self-service RFID technology in ten new branches, which will result in budget savings.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1: Capital Budget Monitoring Report for the Period Ending June 30, 2011