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**STAFF REPORT
INFORMATION ONLY**

Capital Budget Monitoring Report – April 30, 2023

Date: June 19, 2023

To: Toronto Public Library Board

From: City Librarian

SUMMARY

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

Capital spending during the first four months of 2023 totalled \$7.455 million or 14.6% of the gross cash flow budget. The preliminary year-end forecast is approximately 80% spent.

These financial results will be forwarded to the City of Toronto for inclusion in the consolidated financial results to April 30, 2023 to be presented to the Executive Committee on July 11, 2023.

FINANCIAL IMPACT

Based on the \$7.455 million actual spending, the 2023 gross capital budget of \$51.234 million is 14.6% spent as of April 30, 2023.

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The year-end forecast of approximately 80% budget spending is preliminary at this time 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-seeking groups in the city of Toronto.

DECISION HISTORY

On February 27, 2023, the Board 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 has commenced a four-month variance report instead of a Q1 report and consolidated financial results to April 30, 2023 is planned for the City's Executive Committee meeting on July 11, 2023. TPL's financial results will be forwarded to the City for consolidation.

COMMENTS

April 30, 2023 - Capital Budget Spending

Attachment 1 includes a list of all active projects, providing 2023 year-to-date and life-to-date project expenditure status as well as projected expenditures to the end of the year, and comments are provided for those projects spending ahead of or behind schedule. Capital spending during the first four months of 2023 totalled \$7.455 million or 14.6% of the 2023 approved cash-flow and is projected to be approximately 80% spent by the end of the year. The projected spending rate is mainly driven by:

- Continued delays in the Centennial project waiting for the City to provide site plan approval;
- Construction for the Dawes Road project is expected to start in Dec 2023 due to delays in site plan approval from the City;

- Delays in finalizing the design-specification requirements for some projects within the Toronto Reference Library which will result in lower spending in the Toronto Reference Library Renovation capital project in 2023;
- Later than expected start of construction in the Perth/Dupont 299 Campbell project due to delays in agreement between City and Developer on when TPL can take ownership title and assume occupancy in the building; and
- A few projects within the digital experience project were re-prioritized to coordinate technology improvements

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

In-Year 2023 Budget Adjustments

A separate report, *2023 Capital Budget Adjustments*, requesting Board endorsement for in-year budget adjustment, is summarized in the following table.

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

Description	2023	
	Gross	Debt
Budget transfer		
Toronto Reference Library	(1.000)	(1.000)
Northern District Library Exterior	1.000	1.000
Subtotal	0.000	0.000
Total Adjustment	0.000	0.000

TPL is requesting reallocation of the 2023 cash flow funding of \$1.0 million gross and debt from the Toronto Reference Library project to the Northern District Library Exterior project in order to cover increased costs due to discovery of significant deterioration of the concrete block walls and structural integrity concerns of the existing retaining wall on the East side property line due to site grading.

There are also three capital projects without budget that have incurred expenditures in 2023. The three projects are Albert Campbell Library, York Woods Library and North York Central Library Phase 2. 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 Q3.

Summer Contract Awards

Section 7.2 of the Purchasing Policy states that the City Librarian may exercise the authority of the Board to make an award or take any other appropriate action, including rescinding an award or cancelling a solicitation, provided that the award is made or action is taken during the Board's summer recess, an election recess, labour disruption or if a Board meeting is cancelled and another Board meeting is not held within one week following the cancellation.

During the 2023 summer break when there is no scheduled Board meeting, the City Librarian has delegated authority to award contracts above her maximum authority of \$750,000, provided there is adequate budget funding. The September Board meeting would include a report on all awards that were made by the City Librarian under this delegated authority over the summer.

CONTACT

Larry Hughsam; Director, Finance & Treasurer; Tel: 416-397-5946;
Email: lhughsam@tpl.ca

Howard Balter; Manager, Budget & Financial Reporting; Tel: 416-393-7003;
Email: hbalter@tpl.ca

SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

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

Toronto Public Library
2023 Capital Budget Monitoring Report
For the Period Ended May 31, 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				Budget	Actuals	Unspent / (Overspent)		Budget	Actuals	Unspent / (Overspent)		
		Budget	\$	%	\$	%	\$	% of Budget	On Budget			\$	%			\$	%	
		(a)	(b)	(c) = (a) / (b)	(d) = (a) - (b)	(e) = (d) / (a)	(f)	(g)	(h)			(j)	(k)	(l) = (j) - (k)	(m) = (l) / (j)	(n)		
1 299 Campbell Ave - Perth/Dupont Relocation	3,359,000	-	0.0%	3,359,000	100.0%	1,100,000	32.7%	⌚⌚	⌚⌚	5,896,776	1,330,196	4,566,580	77.4%	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		11,529	n.a.	(11,529)	n.a.	297,529	n.a.	⌚⌚	⌚⌚	21,468,630	21,480,419	(11,789)	(0.1%)	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	2,138,157	44.0%	2,723,843	56.0%	4,862,000	100.0%	⌚⌚	⌚⌚	9,787,000	2,716,747	7,070,253	72.2%	2024				
4 Centennial Reconstruction and Expansion	3,500,000	56,427	1.6%	3,443,573	98.4%	66,427	1.9%	⌚⌚	⌚⌚	21,613,266	939,499	20,673,767	95.7%	2026		City delays in providing site plan approval continues		
5 Dawes Road Reconstruction & Expansion	2,533,504	74,810	3.0%	2,458,694	97.0%	955,592	37.7%	⌚⌚	⌚⌚	36,206,045	6,596,306	29,609,739	81.8%	2027		Construction tender targeted in Q3		
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	78,792	3.8%	2,016,208	96.2%	1,039,801	49.6%	⌚⌚	⌚⌚	7,500,000	3,489,150	4,010,850	53.5%	ongoing		Some projects were re-prioritized to coordinate technology improvements		
8 Ethenonnhawahstihnen' Library - Bayview Library Relocation	500,000	-	0.0%	500,000	100.0%	500,000	100.0%	⌚⌚	⌚⌚	15,957,272	15,457,272	500,000	3.1%	2023		Branch targeted to re-open in July		
9 Etobicoke New Construction - Design	564,000	-	0.0%	564,000	100.0%	564,000	100.0%	⌚⌚	⌚⌚	1,463,000	299,000	1,164,000	79.6%	2024				
10 Lillian H. Smith - Design	200,000	14,428	7.2%	185,572	92.8%	137,143	68.6%	⌚⌚	⌚⌚	3,000,000	14,428	2,985,572	99.5%	2026		RFP for Architectural feasibility targeted in Q4 after completion of the due diligence and energy audit		
11 Maryvale Relocation	435,413	59,689		375,724	86.3%	100,000	23.0%	⌚⌚	⌚⌚	3,333,000	2,771,689	561,311	16.8%	2022		Branch re-opened on Sept 12, 2022. Working on deficiencies. Unspent budget will be transferred to overspent projects in Q3		
12 Multi-Branch Minor Renovation Program	11,846,454	1,620,509	13.7%	10,225,945	86.3%	11,846,454	100.0%	⌚⌚	⌚⌚	46,565,921	29,662,135	16,903,786	36.3%	ongoing				
13 North York Central Library Phase 2	-	261,759	n.a.	(261,759)	n.a.	261,759	n.a.	⌚⌚	⌚⌚	13,843,998	14,105,757	(261,759)	(1.9%)	2022		Budget funding for overspent will be transferred from underspent projects in Q3		
14 Northern District Exterior	2,163,654	6,463	0.3%	2,157,191	99.7%	3,163,654	146.2%	⌚⌚	⌚⌚	2,204,936	47,745	2,157,191	97.8%	2023		Project is forecasted to be over budget due to discovery of significant deterioration of the concrete block walls and retaining wall on property line. An in-year budget adjustment to transfer funds from the Toronto Reference Library project is requested as part of the month four variance report		
15 Parkdale - Design	502,000	-	0.0%	502,000	100.0%	-	0.0%	⌚⌚	⌚⌚	1,719,000	-	1,719,000	100.0%	2025		Project is delayed		
16 Pleasant View - Design	367,622	50,140	13.6%	317,482	86.4%	296,319	80.6%	⌚⌚	⌚⌚	635,622	318,140	317,482	49.9%	2023				
17 Richview Building Elements (SOGR)	1,211,610	-	0.0%	1,211,610	100.0%	464,000	38.3%	⌚⌚	⌚⌚	3,546,017	99,618	3,446,399	97.2%	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)		
18 Service and Digital Modernization	6,506,000	828,271	12.7%	5,677,729	87.3%	5,386,000	82.8%	⌚⌚	⌚⌚	6,771,000	5,215,491	1,555,509	23.0%	ongoing				
19 St. Lawrence - Design	100,000	25,000	25.0%	75,000	75.0%	61,000	61.0%	⌚⌚	⌚⌚	1,932,000	25,000	1,907,000	98.7%	2025		RFP for architectural services is dependent on resolution of the Affordable Housing motion		
20 Technology Asset Management Program	6,444,181	1,835,674	28.5%	4,608,507	71.5%	6,444,181	100.0%	⌚⌚	⌚⌚	25,452,000	14,270,557	11,181,443	43.9%	ongoing				

Toronto Public Library
2023 Capital Budget Monitoring Report
For the Period Ended May 31, 2023

ATTACHMENT 1

Project/Sub-Project Name	2023 - Year-to-Date						2023 - Year End				Life To Date				Expected Year of Completion	Comments
	2023 Full Year	Spent		Unspent / (Overspent)		Projected Actuals to Year-end				Budget	Actuals	Unspent / (Overspent)				
		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)		
21 Toronto Reference Library Renovation	3,400,000	169,485	5.0%	3,230,515	95.0%	2,314,800	68.1%	(Y)	(G)	10,710,000	2,503,399	8,206,601	76.6%	ongoing	Delays in finalizing the design-specification requirements for the DIH and Re-Imagine projects delayed the construction tender for the TRL project to Q4 2023	
22 Wychwood Renovation	500,000	73,039	14.6%	426,961	85.4%	500,000	100.0%	(G)	(G)	15,795,600	14,815,198	980,402	6.2%	2023	Branch re-opened on Oct 3, 2022. Working on deficiencies and lawn bowling. Budget funding for overspent will be transferred from underspent projects in Q3	
23 York Woods Renovation		150,661	n.a.	(150,661)	n.a.	831,035	n.a.	(G)	(G)	13,944,620	14,095,281	(150,661)	(1.1%)	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	51,234,438	7,454,833	14.6%	43,779,605	85.4%	41,335,694	80.7%	(G)	(G)	269,489,703	150,253,027	119,236,676	44.2%			

On Time

On Budget

On / Ahead of Schedule

(G)

>70% of Approved Cash Flow

Minor Delays < 6 months

(Y)

Between 50% and 70% of Approved Cash Flow

Significant Delays > 6 months

(R)

< 50% or >100% of Approved Cash Flow