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**STAFF REPORT
INFORMATION ONLY**

Capital Budget Monitoring Report – June 30, 2024

Date: September 23, 2024

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 six-month period ended June 30, 2024, as well as projected expenditures to December 31, 2024.

Capital spending during the first six months of 2024 totalled \$16.150 million or 42.9% of the gross cash flow budget. The year-end forecast is approximately 88.8% 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 \$16.150 million actual spending, the 2024 gross capital budget of \$37.606 million is 42.9% spent as of June 30, 2024.

The year-end forecast of approximately 88.8% 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 2024 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 2024 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 2024 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

At its meeting on February 26, 2024, the Board adopted the [Council-approved 2024-2033 capital budget and plan](#).

ISSUE BACKGROUND

TPL's [Council-approved 2024-2033 capital budget and plan](#) is \$33.401 million gross, which is comprised of \$25.202 million for buildings and \$8.199 million for technology and modernization.

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 68.8% for the twelve month period ended December 31, 2023 and a five-year average spend rate of 68.7%. TPL's 2023 spend rate of 72.4% is above the City's spend rate.

COMMENTS

June 30, 2024 - Capital Budget Spending

A list of all active projects is included in Attachment 1, which provides 2024 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 2024 totalled \$16.150 million or 42.9% of the 2024 approved cash-flow and is projected to be approximately 88.8% spent by the end of the year. The projected budget under-spending is mainly driven by:

- Design-specification requirements for some projects within the Toronto Reference Library are still in the planning stage and construction is now expected to start in 2025;
- Phase 1 (waterproofing system) of the Richview Building Elements (SOGR) project will be done in 2024 and Phase 2 will be deferred to 2025 as it requires City approval;

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

In-Year 2024 Technical Budget Adjustments – Second Quarter

Several projects require realignment of cash flows to reflect project delivery timelines. The Service and Digital Modernization and the Multi-Branch Minor Renovation Program projects are projected to be spending ahead of schedule, which will require an acceleration of \$9.459 million cash flow, gross and debt, from 2025 to 2024, offset by a deferral of \$5.254 million in cash flow from 2024 to 2025 due to delays in three capital projects (Centennial Branch, Dawes Road Branch and Pleasant View Branch projects).

An in-year budget allocation of \$1.200 million from the Toronto Reference Library project to the Bridlewood Relocation project to complete the construction will increase the Bridlewood total project cost to \$10.987 million.

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

Table 1: 2024 CAPITAL IN-YEAR ADJUSTMENTS (\$ millions)

Description	2024				2025			
	Gross	Debt	DC	Other	Gross	Debt	DC	Other
Cash flow acceleration/deferral								
Accelerate Service and Digital Modernization cash flow	2.231	2.231			(2.231)	(2.231)		
Accelerate Multi-Branch Minor Renovation Program cash flow	7.228	7.228			(7.228)	(7.228)		
Subtotal - Acceleration	9.459	9.459	0.000	0.000	(9.459)	(9.459)	0.000	0.000
Defer Centennial Branch cash flow	(1.400)	(1.400)			1.400	1.400		
Defer Dawes Road Branch cash flow	(1.802)	(1.402)		(0.400)	1.802	1.402		0.400
Defer Pleasant View Branch cash flow	(2.052)		(0.060)	(1.992)	2.052		0.060	1.992
Subtotal - Deferral	(5.254)	(2.802)	(0.060)	(2.392)	5.254	2.802	0.060	2.392
Subtotal - Net Acceleration/(Deferral)	4.205	6.657	(0.060)	(2.392)	(4.205)	(6.657)	0.060	2.392
Budget transfer								
Toronto Reference Library	(1.200)	(1.200)						
Bridlewood Branch	1.200	1.200						
Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Adjustment	4.205	6.657	(0.060)	(2.392)	(4.205)	(6.657)	0.060	2.392

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

Attachment 1: Capital Budget Monitoring Report for the Period Ended June 30, 2024

Toronto Public Library
2024 Capital Budget Monitoring Report
For the Period Ended June 30, 2024

ATTACHMENT 1

Project/Sub-Project Name	2024 - Year-to-Date								2024 - Year End				Life To Date				Expected Year of Completion	Comments		
	2024 Full Year	Q2 Budget	2024 Full Year	Spent		Unspent / (Overspent)		Projected Actuals to Year-end				Budget	Actuals	Unspent / (Overspent)						
				Budget	Adjustment	Adj Budget	\$	%	\$	%	\$	% of Budget	On Budget	On Time	\$	%				
	(a)	(a)	(a)	(b)	(c) = (b) / (a)	(d) = (a) - (b)	(e) = (d) / (a)	(f)	(g)	(h)	(i)	(j)	(k)	(l) = (j) - (k)	(m) = (l) / (j)	(n)				
299 Campbell Ave - Perth/Dupont Relocation	1,879,095		1,879,095	234,075	12.5%	1,645,020	87.5%	1,554,075	82.7%	③	③	5,918,000	1,703,252	4,214,748	71.2%	2025	Construction underway			
Bridlewood Branch Relocation	2,795,263	1,200,000	3,995,263	2,480,781	62.1%	1,514,482	37.9%	3,388,981	84.8%	③	③	9,787,000	9,472,518	314,482	3.2%	2024	An in-year adjustment request for additional funding of \$1.2M from the Toronto Reference Library project to complete the project will be done in Q2			
Centennial Reconstruction and Expansion	3,110,102	(1,400,000)	1,710,102	135,854	7.9%	1,574,248	92.1%	1,710,102	100.0%	③	③	21,744,000	1,981,171	19,762,829	90.9%	2027	Recently received demolition permit. Construction is anticipated to start in August. An in-year adjustment request to defer \$1.400M to future year will be done in Q2.			
Dawes Road Reconstruction & Expansion	1,946,240	(1,802,000)	144,240	31,065	21.5%	113,175	78.5%	143,865	99.7%	③	③	37,757,045	7,658,870	30,098,175	79.7%	2028	Awaiting site plan approval. Construction is anticipated to start in 2025. An in-year adjustment request to defer \$1.802M to future year will be done in Q2.			
Digital Experiences	1,215,837		1,215,837	66,387	5.5%	1,149,450	94.5%	881,227	72.5%	③	③	3,700,127	66,387	3,633,740	98.2%	ongoing				
Ethennonnhawahstihnen' Library - Bayview Library Relocation	317,343		317,343	20,269	6.4%	297,074	93.6%	317,343	100.0%	③	③	15,957,272	15,660,198	297,074	1.9%	2023				
Etobicoke Civic Centre - Construction	1,736,000		1,736,000	1,109,103	63.9%	626,897	36.1%	1,736,000	100.0%	③	③	33,687,000	1,109,103	32,577,897	96.7%	2028				
Lillian H. Smith - Design	45,412		45,412	-	0.0%	45,412	100.0%	-	0.0%	⑧	⑧	3,000,000	154,588	2,845,412	94.8%	2026	Project is still in planning phase			
Multi-Branch Minor Renovation Program	5,787,846	7,228,000	13,015,846	6,016,442	46.2%	6,999,404	53.8%	13,015,846	100.0%	③	③	24,920,846	6,016,442	18,904,404	75.9%	ongoing	Cash flow spending is projected to be ahead of schedule. An in-year adjustment request to accelerate cash flows from 2025 will be done in Q2			
Northern District Exterior	1,342,554		1,342,554	649,152	48.4%	693,402	51.6%	1,342,554	100.0%	③	③	3,504,936	2,811,534	693,402	19.8%	2024				
Pleasant View - Construction	2,081,000	(2,052,000)	29,000	12,313	42.5%	16,687	57.5%	28,813	99.4%	③	③	4,189,000	12,313	4,176,687	99.7%	2025	Awaiting site plan approval. Construction is anticipated to start next year. An in-year adjustment request to defer \$2.052M to future year will be done in Q2.			
Richview Building Elements (SOGR)	978,316		978,316	166,429	17.0%	811,887	83.0%	489,615	50.0%	⑨	⑨	3,546,017	499,341	3,046,676	85.9%	2025	Phase 1 (waterproofing system) will be done in 2024. Phase 2 deferred to 2025 as it requires city approval (permit to discharge the water)			
Service and Digital Modernization	2,233,308	2,231,000	4,464,308	3,336,122	74.7%	1,128,186	25.3%	4,464,262	100.0%	③	③	11,696,802	3,336,122	8,360,680	71.5%	ongoing	Cash flow spending is projected to be ahead of schedule. An in-year adjustment request to accelerate cash flows from 2025 will be done in Q2			
St. Lawrence - Design	80,000		80,000	-	0.0%	80,000	100.0%	-	0.0%	⑧	⑧	1,932,000	100,000	1,832,000	94.8%	2025	Continue to work with Councilor and CreateTO			

Toronto Public Library
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Project/Sub-Project Name	2024 - Year-to-Date								2024 - Year End				Life To Date				Comments	
	2024 Full Year	Q2 Budget	2024 Full Year	Spent		Unspent / (Overspent)		Projected Actuals to Year-end				Budget	Actuals	Unspent / (Overspent)		Expected Year of Completion		
				Budget	Adjustment	Adj Budget	\$	%	\$	%	\$	% of Budget	On Budget	On Time	\$	%		
	(a)	(a)	(a)	(b)	(c) = (b) / (a)	(d) = (a) - (b)	(e) = (d) / (a)	(f)	(g)	(h)	(i)	(j)	(k)	(l) = (j) - (k)	(m) = (l) / (j)	(n)		
Technology Asset Management Program	4,750,032		4,750,032	1,574,134	33.1%	3,175,898	66.9%	3,328,984	70.1%	②	②	8,718,968	1,574,134	7,144,834	81.9%	ongoing		
Toronto Reference Library Renovation	3,002,347	(1,200,000)	1,802,347	317,627	17.6%	1,484,720	82.4%	1,002,347	55.6%	③	③	17,002,347	317,627	16,684,720	98.1%	ongoing	Design-specification requirements for the Building Envelope and Re-Imagine projects are in planning stage. Construction anticipate to start in 2025. An in-year adjustment request to transfer \$1.2M to the Bridlewood Relocation project to complete the construction will be done in Q2.	
Yorkville Renovation - Design	100,000		100,000	-	0.0%	100,000	100.0%		0.0%	③	③	597,000	-	597,000	100.0%	2026	Project is still in planning phase	
Total 2024 Capital Projects Cash Flow	33,400,695	4,205,000	37,605,695	16,149,753	42.9%	21,455,942	57.1%	33,404,014	88.8%	②	②	207,658,360	52,473,600	155,184,760	74.7%			

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

