

Capital Budget Monitoring Report – December 31, 2021

Date:	February 28, 2022
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 capital expenditures for the year ended December 31, 2021.

Capital spending during 2021 totalled \$34.999 million or 68.5% of the adjusted gross budget of \$51.058 million based on new budget adjustment requirements introduced in 2020. This spending rate is lower than average due to market and operational disruptions being caused by the COVID-19 pandemic. The five-year average capital spend rate is now 77.3%.

The unspent balance of \$16.059 million from 18 capital projects that are under-spent at year-end will be carried forward to 2022.

FINANCIAL IMPACT

Capital spending during 2021 totalled \$34.999 million or 68.5% of the adjusted gross cash flow budget of \$51.058 million, resulting in a final unspent net balance of \$16.059 million from 18 capital projects that are underspent at year-end. This unspent balance will be carried forward to 2022, 2023 and 2024.

Details of capital projects' spending are shown on Attachment 1.

These results should be considered draft until the external audit of the financial statements is completed.

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

ISSUE BACKGROUND

Toronto Public Library's (TPL) final adjusted 2021 gross capital budget of \$51.058 million includes the original Council approved capital budget of \$44.994 million, in-year capital adjustments totaling \$3.950 million and a year-end adjustment of \$2.114 million to bring forward cash flows from 2022 for projects spending ahead of schedule as per the City of Toronto's new budget adjustment methodology introduced in 2020.

Capital expenditure results are usually reported to the Library Board and the City on a quarterly basis.

COMMENTS

For the year ending December 31, 2021, the Library spent \$34.999 million or 68.5% of the adjusted gross budget of \$51.058 million based on new budget adjustment requirements introduced in 2020. The five-year average capital spend rate is now 77.3%.

Attachment 1 includes a list of all active projects, providing 2021 year-to-date and life-to-date project expenditure status, and overspent and underspent cash flow balances.

Three capital projects are spending ahead of schedule. A year-end budget adjustment of \$2.114 million will be included in the final carry forward report for Council's approval to bring forward 2022 cash flows to fund the over spending in 2021 for the Albert Campbell, Dawes Road and Wychwood projects. The year-end budget adjustments are summarized in Table 1 below.

Table 1: 2021 CAPITAL YEAR-END ADJUSTMENTS REQUIRED

Budget Adjustment (\$ million)						
Description	2021			2022		
	Gross	Debt	Other	Gross	Debt	Other
Advance and accelerate cash flows						
Albert Campbell cash flow	1.710	1.710		(1.710)	(1.710)	
Dawes Road cash flow	0.004	0.004		(0.004)	(0.004)	
Wychwood cash flow	0.400	0.400		(0.400)	(0.400)	
Net	2.114	2.114	0.000	(2.114)	(2.114)	0.000

The new budget adjustment process requires projects spending ahead of schedule to bring forward funding from future budget years, resulting in an increase of the current year's gross budget and therefore an overall lower spending percentage rate.

The capital spending rate was impacted by the COVID-19 pandemic particularly in the operational planning and execution of some of the smaller capital projects; especially

state of good repair work and new projects approved in 2021 which had not already started; and delays due to supply chain issues.

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

Attachment 1: Capital Budget Monitoring Report for the Year Ended December 31, 2021

Toronto Public Library
2021 Capital Budget Monitoring Report
For the Year Ended December 31, 2021

ATTACHMENT 1

Project/Sub-Project Name	2021 - Year-to-Date								Life To Date				Expected Year of Completion	Comments
	2021 Full Year Budget	Spent		Unspent / (Overspent)		On Budget	On Time	Budget \$	Actuals \$	Unspent / (Overspent)				
		\$	%	\$	%					\$	%			
		(a)	(b)	(c) =(a) / (b)	(d) =(a) - (b)					(e) =(d) / (a)	(h)	(i)		
1 Albert Campbell Renovation - Construction	8,556,567	10,266,791	120.0%	(1,710,224)	(20.0%)	R	G	20,216,353	18,553,491	1,662,862	8.2%	2022	Construction is progressing very well resulting in 2021 expenditures ahead of schedule.	
2 Answerline and Community Space Rental Modernization	743,605	-	0.0%	743,605	100.0%	R	R	1,400,000	656,395	743,605	53.1%	2022	Project scope is being revisited.	
3 Bayview-Bessarion Library Relocation	5,170,818	4,322,234	83.6%	848,584	16.4%	G	G	15,322,272	11,573,688	3,748,584	24.5%	2022		
4 Bridlewood Branch Relocation	92,368	65,802	71.2%	26,566	28.8%	G	G	7,299,000	73,434	7,225,566	99.0%	2023	Working drawings underway	
5 Dawes Road Reconstruction & Expansion	466,371	470,510	100.9%	(4,139)	(0.9%)	G	G	24,593,045	5,745,139	18,847,906	76.6%	2026	Design development continues	
6 Digital Experiences (Virtual Branch Services)	1,322,510	644,220	48.7%	678,290	51.3%	Y	Y	7,500,000	2,371,710	5,128,290	68.4%	ongoing	Delay is due to planning the implementation of the Digital Strategy	
7 Etobicoke New Construction - Design	351,000	-	0.0%	351,000	100.0%	R	R	1,416,000	-	1,416,000	100.0%	2023	This is a shared project with many partners onsite. Exact timing of the project is unknown at this time.	
8 Integrated Payment Solutions	143,799	8,886	6.2%	134,913	93.8%	R	Y	2,250,000	2,115,087	134,913	6.0%	2022	Scope of the project is being revisited	
9 Maryvale Relocation	1,570,888	1,282,179	81.6%	288,709	18.4%	G	G	2,749,000	1,359,291	1,389,709	50.6%	2022		
10 Multi-Branch Minor Renovation Program	6,786,431	4,312,742	63.5%	2,473,689	36.5%	Y	Y	46,900,368	22,071,812	24,828,556	52.9%	ongoing	Some projects were deferred to future years due to planning delays as a result of COVID	
11 North York Central Library Phase 2	1,313,365	207,337	15.8%	1,106,028	84.2%	R	R	12,718,000	11,611,973	1,106,027	8.7%	2022	Construction started in Q4 and is now underway	
12 Northern District Renovation - Design	100,000	-	0.0%	100,000	100.0%	R	R	251,000	-	251,000	100.0%	2023	Scope and timing of the project is still being investigated	
13 Northern District Streetscaping	473,077	7,632	1.6%	465,445	98.4%	R	R	990,000	29,555	960,445	97.0%	2023	Scope and timing of the project is still being investigated	
14 Pleasant View Renovation	100,000	-	0.0%	100,000	100.0%	R	R	635,622	-	635,622	100.0%	2023	Scoping and Service Plan Development underway. RFP has been issued.	
15 Richview Building Elements (SOGI)	174,610	-	0.0%	174,610	100.0%	R	R	3,546,017	61,407	3,484,610	98.3%	2024	PO has been issued for an Engineering Study.	
16 Service Modernization and Transformation	1,719,847	875,611	50.9%	844,236	49.1%	Y	Y	6,771,000	1,180,764	5,590,236	82.6%	ongoing	Aspects of the project are undergoing planning and scoping following some delays related to COVID-19.	
17 Technology Asset Management Program	6,772,410	3,251,821	48.0%	3,520,589	52.0%	R	Y	25,452,000	7,554,411	17,897,589	70.3%	ongoing	Due to COVID, a large portion of the IT asset replacement is deferred to next year.	
18 Toronto Reference Library Renovation	3,693,742	1,062,061	28.8%	2,631,681	71.2%	R	Y	10,710,000	1,118,319	9,591,681	89.6%	ongoing	RFP for architectural service underway.	
19 Weston Renovation	159,000	17,197	10.8%	141,803	89.2%	R	R	641,000	17,197	623,803	97.3%	2023	Feasibility Study completed. Design options under review.	
20 Wychwood Renovation	3,280,254	3,679,661	112.2%	(399,407)	(12.2%)	R	G	15,795,600	13,726,974	2,068,626	13.1%	2022	Construction is progressing very well resulting in 2021 expenditures ahead of schedule.	
21 York Woods Renovation	5,953,953	4,524,782	76.0%	1,429,171	24.0%	G	G	13,824,000	12,394,829	1,429,171	10.3%	2022	Delays to construction completion due to delay in delivery of glass curtain wall.	
Total 2021 Capital Projects Cash Flow Gross	48,944,615	34,999,466	71.5%	13,945,149	28.5%	G	G	220,980,277	112,215,476	108,764,801	49.2%			
Budget acceleration adjustment for Albert Campbell, Dawes Road and Wychwood projects	2,113,770			2,113,770	100.0%									
Total 2021 Capital Projects Cash Flow Gross - After Budget Adjustment	51,058,385	34,999,466	68.5%	16,058,919	31.5%	Y	G	220,980,277	112,215,476	108,764,801	49.2%			

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