

Capital Variance Report for the Three Months Ended March 31, 2013

Significant Variance Explanation

Citizen Centred Services "A"

For the three months ended March 31, 2013, capital expenditures for this Cluster totalled \$11.480 or 4.3% of their collective 2013 Approved Capital Budget of \$265.654 million. Spending is expected to increase to \$194.940 million or 73.4% by year-end. As shown in the table below, the majority of the Programs project that their capital expenditures to December 31, 2013 will be in excess of 80% of their 2013 Approved Capital Budget.

Citizen Centred Services "A"				
Q1 2013 Capital Variance (\$ Million)				
	Actual to March 31, 2013		Projected 2013 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
Children's Services	(5.1)	7.3	0.0	100.0
Court Services	(0.7)	0.0	(0.0)	94.4
Economic Development & Culture	(37.0)	4.6	(15.2)	60.8
Emergency Medical Services	(5.5)	0.0	(2.7)	50.8
Long-Term Care Homes & Services	(33.6)	8.3	0.0	100.0
Parks, Forestry & Recreation	(169.0)	3.5	(52.8)	69.9
Shelter, Support and Housing Administration	(1.9)	1.1	0.0	100.0
Toronto Employment and Social Services	(1.4)	7.4	0.0	100.0
Sub-Total	(254.2)	4.3	(70.7)	73.4

Children's Services spent \$0.401 million or 7.3 % of its 2013 Approved Capital Budget of \$5.467 million (including \$3.069 million in carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$5.467 million or 100 % by year end. The rate of spending for the first quarter of 2013 is attributed to the following projects:

- The *CSIS 3* project's capital expenditures totalled \$0.292 million representing 9.5% of the 2013 approved cash flow of \$3.058 million during the three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$1.232 million from 2012, as well as \$1.826 million for the 2013 phase of capital activity. While project spending is lower than planned in the first quarter of 2013 due to delays in hiring staff, it is projected that the 2013 approved cash flow will be fully spent by year-end.

- The *MCC SOGR* capital expenditures totalled \$0.004 million representing 0.5% of the 2013 approved cash flow of \$0.785 million during the three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$0.059 million from 2012 as well as \$0.726 million for the 2013 phase of capital activity. Project spending is lower than planned in the first quarter of 2013, as the Program is co-ordinating the 2013 upgrades in the municipal child care centres. Spending will accelerate in the second and third quarters once RFPs are issued. It is projected that the 2013 approved cash flow will be fully spent by year end.
- The *New Child Care Centre* project with 2013 approved cash flow of \$0.783 million had no spending during the three months ended March 31, 2013. The 2013 approved cash flow is fully comprised of carry forward funding from 2012, with \$0.516 million carried forward for the *St Andrew* project, and \$0.267 million carried forward for *Thorncliffe Park* project. Construction at *St. Andrew* has been completed, with the final contractors' billings under review. Building construction at *Thorncliffe Park* has been completed; final settlement for the playground installation is under review with the contractor. It is projected that the 2013 approved cash flow for both centres will be fully spent by the second quarter.
- The *Nelson Mandela Public School* project's capital expenditures totalled \$0.103 million representing 22.4% of the 2013 approved cash flow of \$0.459 million during the three months ended March 31, 2013. The 2013 approved cash flow is fully comprised of 2012 carry forward funding. Project completion is anticipated in September 2013.
- The *Squirrel's Nest Day Care Centre* project's capital expenditures totalled \$0.002 million representing 1.0% of the 2013 approved cash flow of \$0.258 million during the three months ended March 31, 2013. The 2013 approved cash flow is fully comprised of 2012 carry forward funding. Spending for this project has been delayed, due to a zoning issue with the installation of a new elevator. It is projected that the 2013 approved cash flow will be fully spent by year end.

Courts Services with a 2013 Approved Capital Budget of \$0.713 million (including \$0.100 million additional carry forward funding) had no spending during the period ended March 31, 2013; and the Program staff expect spending of \$0.673 million or 94% by year-end. Project spending is lower than planned in the first quarter 2013, as the *Provincial Offenses Act (POA) Application Sustainment & Hardware Upgrades* project has been delayed. The hiring process for the Application Developer is underway and the project is expected to commence by the end of April 2013.

Economic Development and Culture's capital expenditures for the period ended March 31, 2013 totalled \$1.787 million or 4.6 % of its 2013 Approved Capital Budget of \$38.812 million (including \$27.117 million in carry forward funding). Capital spending is projected to reach \$23.607 million or 60.8% of its 2013 Capital Budget by year-end. The majority of the under-spending is attributable to the following:

- The *Fort York Visitor Centre* project's capital expenditures totalled \$1.579 million or 7.3% of the 2013 approved cash flow of \$21.530 million for the period ended March 31, 2013; and spending is projected to be \$10.5 million or 48.8% at year-end. The project was set back by a full year in 2011 when the original tender came back over budget. The full design team worked to revise the documents so that it could be successfully re-tendered. The project is under construction now, proceeding according its revised schedule, with completion targeted for May 7, 2014.
- The *John St. Roundhouse Museum* project did not incur any capital expenditures of its 2013 approved cash flow of \$0.638 million during the period ended March 31, 2013; and spending is projected to be \$0.134 million or 21% at year-end since Toronto Hydro continues to change their original plan for the Bremner Street Transformer Station, to be built at the west end of the Roundhouse site, under the Machine Shop. One of the issues still outstanding is the amount of floor space left in the Machine Shop to be made available for the rail museum. The museum re-design cannot proceed until Hydro completes their changes to the original plan for the substation.
- The *Casa Loma Exterior Restoration* project did not incur any capital expenditures of its 2013 approved cash flow of \$1.400 million during the period ended March 31, 2013; and spending is projected to be \$0.300 million or 22% at year-end since the multi-phased restoration of Casa Loma was delayed by more than a year while the City considered governance issues following the termination of the agreement with the Kiwanis. In 2012, with an adjusted budget, the scope of work for the project was changed and phase 7A commenced. Contract documents are being developed for Phase 8, to be tendered late in 2013. Spending is anticipated to be back on schedule by mid 2014.

Emergency Medical Services (EMS) with a 2013 Approved Capital Budget of \$5.517 million (including \$0.852 million in carry forward funding) had no spending during the period ended March 31, 2013; and staff anticipate spending of \$2.803 million or 50.8% by year-end. The projected year-end under spending of \$2.714 million or 49.2% is driven mainly by the following:

- The *Large Station at Plewes Rd* project, with 2013 approved cash flow of \$2.000 million, had no spending during the three months ended March 31, 2013. The project has been delayed pending land approval from Real Estate Services. The project is not expected to commence until 2014 and will require 2013 funding of \$2.0 million to be carried forward into 2014.
- The *Station Security* capital project, with 2013 approved cash flow of \$1.644 million (including \$0.498 million carry forward funding), had no spending during the three months ended March 31, 2013. Capital spending is projected to reach \$1.300 million by year-end with a projected carry forward of \$0.344 million into 2014. The installation of the security system's 2 prototypes (S/W hub and Station 30) for EMS and Fire Services shared facilities is expected to be completed in early 2014.

- The *Mobile Data – Scheduling Units* capital project, with 2013 approved cash flow of \$0.165 million, had no spending during the three months ended March 31, 2013. The project scope has changed to include Parks, Forestry and Recreation Program's scheduling requirements. The project is under review and may be undertaken by Corporate IT.

Long-Term Care Homes & Services (LTCHS) spent \$3.036 million or 8.3 % of its 2013 Approved Capital Budget of \$36.597 million (including \$14.778 million carry forward funding) for the period ended March 31, 2013; and projects spending of \$36.597 million or 100% by year-end. The rate of spending for the first quarter of 2013 is attributed to the following projects:

- The *Capital Maintenance* project's capital expenditures totalled \$0.226 million representing 3.0% of the 2013 approved cash flow of \$7.635 million during the three months ended March 31, 2013. LTCHS has awarded approximately \$4.000 million in approved projects this fiscal year, with on-site work in progress. Additional projects are in the award phase and on-site work should commence in the second quarter of 2013. It is estimated that \$7.635 million or 100% of the 2013 approved cash flow will be spent by year-end.
- The *Redevelopment* project's capital expenditures totalled \$2.810 million representing 10.0% of the 2013 approved cash flow of \$28.962 million during the three months ended March 31, 2013.
 - The *Kipling Acres Redevelopment* project's capital expenditures totalled \$2.810 million representing 10.0% of the 2013 approved cash flow of \$28.071 million during the three months ended March 31, 2013. The occupancy date for the 192-bed phase is planned for fall 2013. Development of the 145-bed phase will proceed on the existing Kipling Acres location upon completion of the 192-bed phase. Architects have been retained and site plans are being finalized. It is estimated that \$28.071 million or 100% of the 2013 approved cash flow will be spent by year-end.
 - The *Long Term Care Homes Act* project had no capital expenditures during the three months ended March 31, 2013. It is estimated that \$0.891 million or 100% of the 2013 approved cash flow will be spent by year-end.

Parks, Forestry and Recreation spent \$6.122 million or 3.5% of its 2013 Approved Capital Budget of \$175.134 million (including \$64.621 in million carry forward funding) during the period ending March 31, 2013; and spending is projected to be \$122.379 million or 69.9% by year-end. The rate of spending for the first quarter of 2013 and the projected under spending at year-end are attributed to the following projects:

- The *Facility Components* project's capital expenditures totalled \$0.434 million representing 5.1% of the 2013 approved cash flow of \$8.543 million during the three months ended March 31, 2013. It is estimated that \$7.065 million or 83% of the 2013 approved cash flow will be spent by year-end since \$1.003 million may not be spent on the Work Management system which is still under development; and \$0.300

million may not be spent on divisional accessibility as the project scope at various sites is being reconfirmed.

- The *Land Acquisition* project's capital expenditures totalled \$1.099 million representing 16.4% of the 2013 approved cash flow of \$6.700 million during the three months ended March 31, 2013. It is estimated that \$4.168 million or 62% of the 2013 approved cash flow will be spent by year-end. This projected under-spending is due to protracted environmental approvals and remediation work at various sites including *Grand Manitoba/Mystic*, *Stafford*, *Paton Road* and *1555 Danforth/Woodgreen* and delays in the expropriation process for *111 and 113 Finch Ave. W* project.
- The *Park Development* project's capital expenditures totalled \$0.403 million or 1.2% of the 2013 approved cash flow of \$33.222 million during the three months ended March 31, 2013. It is estimated that \$26.089 million or 79% of the 2013 approved cash flow will be spent by year-end since \$5 million may not be spent as the *Grange Park* management agreement is in the process of being finalized due to ongoing negotiations with the Art Gallery of Ontario (AGO); \$1.182 million for the *Mystic Point* project may not be spent as the closure of *Algoma Street* is delayed; and various park development projects may not be completed by winter due to unfavourable weather conditions, community consultation, and coordination with permitting in the parks.
- The *Pool* project's capital expenses totalled \$0.035 million or 0.5% of the 2013 approved cash flow of \$6.455 million during the three months ended March 31, 2013. It is estimated that \$5.255 million or 81% of the 2013 approved cash flow will be spent by year-end since various Capital Asset Rehabilitation projects may not be completed by year-end due to construction and programming restrictions.
- The *Arena* project's capital expenditures totalled \$1.370 million or 7.9% of the 2013 approved cash flow of \$17.392 million during the three months ended March 31, 2013. It is estimated that \$16.182 million or 93% of the 2013 approved cash flow will be spent by year-end since \$0.500 million for the *Leaside Arena Expansion* project may not be spent as bids were over budget and the project had to be re-tendered and \$0.500 million for various *Arena and Outdoor Artificial Ice Rink (CAMP)* projects may not be completed by year-end due to construction and programming issues.
- The *Community Centres* project's capital expenditures totalled \$1.543 million or 2.3% of the 2013 approved cash flow of \$66.781 million during the three months ended March 31, 2013. It is estimated that \$32.663 million or 49% of the 2013 approved cash flow will be spent by year-end as \$11.145 million for the *Railway Lands Community Centre* may not be spent as it is still in the planning stage due to ongoing negotiations with various partners; \$7.000 million for *York Community Centre* will not be spent due to various delays in the approvals process including Toronto and Region Conservation Authority's requirement (TRCA) to stabilize the Black Creek bank; over \$10.000 million for *Regent Community Centre* will not be spent due to

pro-longed environmental soil remediation and testing requirements; over \$6.000 million for the *Canadian Tire Community Centre* will not be spent as only partial funding for the project has been received; \$1.850 million for the *Milliken Park Community Recreation Centre* will not be spent as the developer funds have not been received; and various *Community Centre (CAMP)* projects will not be completed by year-end due to construction and programming issues.

Shelter, Support and Housing Administration (SSHA) spent \$0.021 million or 1.1 % of its 2013 Approved Capital Budget of \$1.914 million (including \$0.714 million in carry forward funding) for the period ended March 31, 2013; and projects spending of \$1.914 million or 100% by year-end. The rate of spending for the first quarter of 2013 is attributed to the following projects:

- The *Capital Repairs/ Replacements for City Operated/ Leased Shelters* project of \$1.600 million had no spending for the three months ended March 31, 2013. The 2013 cash flow includes carry forward funding of \$0.700 million from 2012, as well as \$0.900 million for the 2013 phase of capital activity. Project spending will accelerate during the second half of the year, once contracts are awarded. It is estimated that this project will be fully spent by year-end.
- The *Shelter Development/ Redevelopment* project spending to date is \$0.021 million, or 6.8% of the 2013 approved cash flow of \$0.314 million. The 2013 approved cash flow includes carry forward funding of \$0.014 million, as well as \$0.300 million for the 2013 phase of capital activity. This project funds the framework for the redevelopment of *Seaton House* project and the revitalization of *George Street* project. It is anticipated that this project will be fully spent by year-end.

Toronto Employment & Social Services (TESS) spent \$0.111 million or 7.4 % of its 2013 Approved Capital Budget of \$1.500 million for the period ended March 31, 2013; and projects spending of \$1.500 million or 100% by year-end. The Rate of spending for the first quarter of 2013 is attributed to the following projects/sub-projects:

- The *Web-Based IT Development* project's capital expenditures totalled \$0.111 million representing 7.4% of the 2013 approved cash flow of \$1.500 million during the three months ended March 31, 2012.
 - *MIS - Data Mart - Phase 1*: TESS is currently working with Purchasing & Materials Management Division (PMMD) to obtain consulting services from the IT roster to complete the Business Intelligence (BI) upgrade to include statistical queries by geographical location for mapping purposes. It is estimated that the 2013 approved cash flow will be fully spent by year-end.
 - *Employment Assistance - Phase 2*: Development continues on the Employment Services System (ESS), which will include the ability for clients to search for job opportunities on line, and for providers to schedule services and send invoices to

TESS on line. It is estimated that the 2013 approved cash flow will be fully spent by year-end.

- *Case Management - Phase 2:* Studies are being carried out regarding possible additional capabilities for the City Services Benefit Card. Preparations are being made for the implementation of the new Provincial SAMS (Social Assistance Management System) which will replace Service Delivery Model Technology (SDMT). It is estimated that the 2013 approved cash flow will be fully spent by year-end.

Citizen Centred Services “B”

During the three months ended March 31, 2013, actual capital expenditures for this Cluster totalled \$13.958 million or 3.2% of their collective 2013 Approved Capital Budget of \$437.993 million. Spending is expected to increase to \$338.252 million or 77.2% by year-end. As shown in the table below, the collective forecast for Programs in this Cluster anticipates capital expenditures to be in excess of 70% of their 2013 Approved Capital Budget by year-end.

Citizen Centred Services "B"				
Q1 2013 Capital Variance (\$ Million)				
	Actual to March 31, 2013		Projected 2013 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
City Planning	(9.3)	5.9	(1.5)	84.8
Fire Services	(18.0)	0.9	(4.0)	78.1
Transportation Services	(327.5)	2.8	(74.6)	77.9
Waterfront Revitalisation Initiative	(69.1)	5.2	(19.7)	73.0
Sub-Total	(424.0)	3.2	(99.7)	77.2

City Planning spent \$0.581 million or 5.9% of its 2013 Approved Capital Budget of \$9.918 million (including \$1.958 million in carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$8.412 million or 84.8% by year-end. The rate of spending for the first quarter of 2013 and the projected under spending at year-end are attributed to the following projects:

- The *Civic Improvement - Places* project's capital expenditures totalled \$0.280 million representing 7.6% of the 2013 approved cash flow of \$3.681 million during the first three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$0.643 million from 2012. Project spending is usually lower in the first quarter of the year due to project scheduling in the summer construction season. Project coordination with other divisional capital works is underway with project completion expected in 2014. It is estimated that \$2.577 million or 70.0% of the 2013 approved cash flow will be spent by year-end and;

- The *Development Charge Funded Studies* project's capital expenditures totalled \$0.061 million representing 3.4% of the 2013 approved cash flow of \$1.771 million during the first three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$0.846 million from 2012. Project spending is lower than planned in the first quarter of 2013 due to finalization of procurement documents. It is estimated that \$1.494 million or 84.3% of the 2013 approved cash flow will be spent by year-end.
- The *Five Year Review of the Official Plan* project's capital expenditures totalled \$0.100 million representing 8.4% of the 2013 approved cash flow of \$1.185 million during the first three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$0.269 million from 2012. The project is currently underway with anticipated completion by end of 2015. It is estimated that \$1.185 million or 100% of the 2013 approved cash flow will be spent by year-end.
- The *New Zoning By-Law Support for Legal Challenges* project's capital expenditures totalled \$0.139 million representing 11.5% of the 2013 approved cash flow of \$1.200 million during the first three months ended March 31, 2013. The project is currently underway with anticipated completion by end of 2013. It is estimated that \$1.200 million or 100.0% of the 2013 approved cash flow will be spent by year-end.
- The *John Street Revitalization* project did not incur any capital expenditures as of March 31, 2013. Project procurement documents are being prepared and it is estimated that \$1.750 million or 100.0% of the 2013 approved cash flow will be spent by year-end.

Toronto Fire Services' (TFS) spent \$0.157 million or 0.9 % of its 2013 Approved Capital Budget of \$18.182 million (including \$10.045 million in carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$14.201 million or 78.1% by year-end. The rate of spending for the first quarter of 2013 and the projected under spending at year-end are attributed to the following projects:

- The *Station D #221* project's expenditures totalled 0.030 million or 0.6% of the 2013 approved cash flow of \$4.695 million (including \$3.719 million carry forward funding) during the three months ended March 31, 2013. Capital spending is projected to reach \$3.000 million by year-end with projected carry forward funding of \$1.695 million into 2014 (funded from the Development Charge Reserve). The project, already delayed by a year pending the acquisition of a suitable site for the station is experiencing further construction delays with the removal of additional contaminated soil and oil tanks. The project is now estimated to be completed by March of 2014.
- The *Replacement of Fire Station #135* project, with a 2013 approved cash flow of \$2.000 million (including carry forward funding of \$1.556 million) did not have any capital expenditures as of March 31, 2013. Capital spending is projected to reach \$0.250 million by year-end with a projected carry forward of \$1.750 million into 2014. The project is on hold due to a revised building cost estimate that would result in a funding shortfall of \$2.0 million. The new station was initially planned to occupy

a site less than half an acre across from the original station, however, the proposed building is over three stories and is close to 16,000 square feet compared to a typical fire station of 11,000 square feet on approximately one acre area. Given the funding shortfall, Facilities Management is reviewing all options.

- The *Replacement of HUSAR Equipment* project's expenditures totalled 0.127 million or 34% of the 2013 approved cash flow of \$0.377 million (including \$0.177 million carry forward funding). It is estimated that \$0.377 million or 100% of the 2013 approved cash flow will be spent by year-end.

Transportation Services (TS) spent \$9.450 million or 2.8% of its 2013 Approved Capital Budget of \$336.980 million (including \$80.349 million in carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$262.419 million or 77.9% by year-end.

The rate of spending for the three months ended March 31, 2013 is consistent with project schedules for construction as most are weather / temperature dependent. Typically, the majority of cash flow funding is spent during the traditional construction season, after contracts are tendered and awarded.

During the 2013 budget process, addressing Transportations Services' State of Good Repair backlog was identified as a capital priority. This is reflected in increased base funding for *Major Road Resurfacing* project (additional \$15 million budgeted) and *Rehabilitation of the Gardiner Expressway* project east of Jarvis Street (additional \$9.1 million budgeted for key interim repairs). Most of the year-end under-spending is anticipated in the Program's projects that require third party coordination and/or funding; community consultation; or are development/transit dependent. These projects would include *Neighbourhood Improvements; Traffic Control projects; Infrastructure Enhancements; Bridge Rehabilitation; etc.*

Waterfront Revitalization Initiative project's expenditure totalled \$3.769 million or 5.2% of its 2013 Approved Capital Budget of \$72.913 million (including \$6.217 million carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$53.219 million or 73% by year-end. The rate of spending for the first quarter of 2013 and the projected under spending at year-end are attributed to the following:

- The *Union Station* project did not incur any capital expenditures as of March 31, 2013. Planning, design and construction of the second subway platform and associated concourse improvements are close to being on schedule. The project is forecasted to be completed by 2014. It is estimated that \$8.852 million or 100.0% of the 2013 approved cash flow will be spent by year-end and;
- The *Sportsfields Facilities & Parks Development* project's capital expenditures totalled \$0.725 million representing 35.0% of the 2013 approved cash flow of \$2.072 million during the first three months ended March 31, 2013. Project construction is

underway with project completion expected in 2016. It is estimated that \$1.000 million or 48.3% of the 2013 approved cash flow will be spent by year-end.

Internal Services

For the three months ended March 31, 2013 actual capital expenditures for Internal Services totalled \$27.847 million or 5.8% of their collective 2013 Approved Capital Budget of \$476.195 million. Spending is expected to increase to \$360.626 million or 75.7% by year-end. As shown in the table below, four out of five Programs project capital expenditures to December 31, 2013 in excess of 70% of their 2013 Approved Capital Budget.

Internal Services				
Q1 2013 Capital Variance (\$ Million)				
	Actual to March 31, 2013		Projected 2013 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
311 Toronto	(6.7)	10.9	(1.4)	80.9
Facilities Management & Real Estate	(302.2)	4.3	(1.5)	76.8
Financial Services	(32.8)	6.8	(8.5)	75.8
Fleet Services	(51.7)	11.6	(17.7)	69.7
Information Technology	(61.6)	7.5	(16.2)	75.7
Sub-Total	(448.3)	5.8	(115.6)	75.7

311 Toronto spent \$0.812 million or 10.9% of its 2013 Approved Capital Budget of \$7.474 million (including \$4.051 million in carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$6.047 million or 80.9% by year-end. The rate of spending for the first quarter of 2013 and the projected under spending at year-end are attributed to the following projects:

- The *Kiosk Program* had capital expenditures of \$0.025 million representing 6.5% of the 2013 approved cash flow of \$0.385 million during the three months ended March 31, 2013. The 2013 approved cash flow is entirely comprised of carry forward funding from 2012 for the Counter Service efficiency study and will be fully spent by year-end.
- The *Future Integration and Strategy* project's spending totalled \$0.354 million representing 7.8% of the 2013 approved cash flow of \$4.542 million during the three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$2.901 million. It is estimated that \$4.117 million or 90.6% of the 2013 approved cash flow will be spent by year-end to improve the 311 knowledge base for staff and the public.

- The *311 Technology Solution SOGR* project spending totalled \$0.434 million representing 17.0% of the 2013 approved cash flow of \$2.547 million during the three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$0.765 million. It is estimated that \$1.545 million or 60.7% of the 2013 approved cash flow will be spent by year-end to complete the upgrade/replacement of servers, hardware and software required for the year

Facilities Management and Real Estate (FMRE) spent \$13.728 million or 4.3% of its 2013 Approved Capital Budget of \$315.975 million (including \$129.684 million in carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$242.804 million or 76.8% by year-end. The major contributors to the projected year-end under spending are the following projects:

- The *Union Station Revitalization* project capital expenditures totalled \$12.763 million or 5.8% of the 2013 approved cash flow of \$221.217 million for the period ended March 31, 2013; and spending is projected to be \$172.539 million or 78.0% by year-end. The under expenditures during the first quarter were due to delays in procuring new contracts for construction and 3rd party work. In addition, further changes are required specifically in the York Concourse and installation of new mechanical & electrical system. It is expected that Stage 1 will be complete by year-end as well as a significant amount of Phase 1 of the North West Path project.
- The *Nathan Phillips Square Revitalization (NPSR)* project had no capital expenditure against the 2013 approved cash flow of \$19.513 million during the three months ended March 31, 2013. Items expected to be complete by year-end include the relocated Peace Garden and increased landscaping along the western edge of the Square. Projections to year-end indicate that \$10.664 million or 54.7% of the 2013 approved cash flow will be spent.
- The *Westwood* project did not incur any capital expenditures against the 2013 approved cash flow of \$6.8 million during the three months ended March 31, 2013. Build Toronto will carry out, on behalf of the City of Toronto, demolition, environmental testing or other property-related work for the Westwood Theatre Lands. It is estimated that only \$0.7 million or 10.3% of the 2013 approved cash flow will be spent at year-end.
- The *State of Good Repair (SOGR)* project, which consists of a number of sub-projects of varying size, had capital expenditures of \$0.656 million representing 1.5% of the 2013 approved cash flow of \$44.194 million for the period ended March 31, 2013. A number of new SOGR sub-projects are currently in the procurement phase for either design or construction work. It is estimated that \$39.487 million or 89.3% of the 2013 approved cash flow will be spent by year-end. Achieving projected spending is contingent upon meeting scheduled timeline for projects such as \$6.0 million for HVAC and electrical upgrades at Old City Hall; \$2.1 million for elevator

modernization at 40 College Street; \$4.0 million for asset management at EMS and Fire Facilities; and \$1.7 million for SOGR work at St. Lawrence Market.

Financial Services spent \$2.377 million or 6.7% of its 2013 Approved Capital Budget of \$35.153 million, (including \$2.909 million in carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$26.638 million or 75.8% by year-end. The rate of spending for the first quarter of 2013 and the projected under spending at year-end are attributed to the following projects:

- The *Tax Billing System Replacement* project (\$3.532 million) and the *Utility Billing System Replacement* project (\$2.733 million) are deferred due to revised business requirements to be included in the Request For Proposal (RFP) which is expected to be issued in the third quarter of 2013. The issuance of the RFP is for an external assessment that will determine if SAP is a right solution. As a result, the entire 2013 cash flow of \$6.265 million will be carried forward into 2014.
- The *Workflow & Document Management Technology* project's capital expenditures totalled \$0.009 million or 0.7% of the 2013 approved cash flow of \$1.403 million during the three months ended March 31, 2013. It is estimated that \$0.600 million or 42.8% of the 2013 approved cash flow will be spent by year end. A new work plan recently completed reset the completion deadline to the third quarter of 2014 which will result in \$0.803 million to be carried forward to 2014.
- The *eProcurement Implementation* project had no capital expenditures during the three months ended March 31, 2013. It is estimated that \$0.791 million or 56.0% of the 2013 approved cash flow will be spent by year-end. Projected spending is lower than planned due to delays in the RFP process. An RFP for services to complete the planning and scoping exercise was issued and closed in March 2013 but no formal bids were received. Discussions are continuing with vendors with the possibility of re-issuing the RFP with anticipated start date in the second half of 2013. As a result, approximately \$0.600 million will be carried forward to 2014.

Fleet Services spent \$6.769 million or 11.6% of its 2013 Approved Capital Budget of \$58.467 million (including \$13.583 million in carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$40.740 million or 69.7% by year-end. The rate of spending for the first quarter of 2013 and the projected under spending at year-end are attributed to the following projects:

- The *Fire Services Fleet Replacement* project's capital expenditures totalled \$5.252 million representing 30.6% of the 2013 approved cash flow of \$17.183 million during the three months ended March 31, 2013. Project spending is lower than planned in the first quarter of 2013 due to a delay in obtaining specialized fire vehicles as a result of the significant lead time required in the production of the vehicles. It is estimated that \$10.840 million or 63.1% of the 2013 approved cash flow will be spent by year-end. The unspent funds of \$6.343 million will be carried forward to 2014.

- *The Transportation Services Fleet Replacement* project had no capital expenditures during the three months ended March 31, 2013. Project spending is lower than planned in the first quarter of 2013 due to the delay in the procurement of the vehicles. It is estimated that \$4.444 million or 63.2% of the 2013 approved cash flow will be spent by year-end. The unspent funds of \$2.586 million will be carried forward to 2014.

Information & Technology spent \$4.974 million or 7.5% of its 2013 Approved Capital Budget of \$66.600 million, (including \$3.798 million of carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$50.444 million or 75.7% by year-end. The rate of spending for the first quarter of 2013 and the major contributors to the projected under spending at year-end include:

- The *Consolidated Data Centre* project's capital expenditures totalled \$0.017 million or 0.3% of the 2013 approved cash flow of \$5.710 million during the three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$1.084 million. It is estimated that \$0.650 million or 11.4% of the 2013 approved cash flow will be spent by year-end. The City is not proceeding with the construction of a new data centre and is considering a new go forward strategy.
- The *Integrated Telecom Infrastructure* project's capital expenditures totalled \$0.078 million or 1.2% of the 2013 approved cash flow of \$6.288 million during the three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$0.488 million. It is estimated that \$3.170 million or 50.4% of the 2013 approved cash flow will be spent by year-end. The low spending rate is due to the vendor's inability to deliver on the contracted milestones. The site deployments are projected to be complete in the last quarter of 2013; however, payments will be processed in 2014 when the vendor fulfills all of the contracted requirements.
- The *Toronto Building Electronic Service Delivery* project had no capital expenditures during the three months ended March 31, 2013 due to a delay in portal assessment contract execution, as well as extended delays in filling vacancies. It is estimated that \$0.117 million or 8.6% of the 2013 approved cash flow of \$1.363 million will be spent by year-end.
- The *Toronto Animal Service eProject's* capital expenditures totalled \$0.004 million or 0.4% of the 2013 approved cash flow of \$0.901 million during the three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$0.096 million. It is estimated that \$0.345 million or 38.3% of the 2013 approved cash flow will be spent by year-end due to inability to recruit qualified resources. As a result, the business needs for this project will be reviewed for 2014. Funding of \$0.556 million to be carried forward into 2014.

Other City Programs

For the three months ended March 31, 2013, actual capital expenditures for Other City Programs totalled \$8.148 million or 9.8% of their collective 2013 Approved Capital Budget of \$83.237 million. Spending is expected to increase to \$68.334 million or 82.1% by year-end. As shown in the table below, three Programs forecast capital expenditures to December 31, 2013 in excess of 70% of their 2013 Approved Capital Budget.

Other City Programs				
Q1 2013 Capital Variance				
(\$ Million)				
	Actual to March 31, 2013		Projected 2013 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
City Clerk's Office	(5.2)	8.5	(1.1)	81.2
Sustainable Energy Plan	(30.7)	0.5	(10.1)	67.4
Radio Replacement Project	(15.9)	31.3	(2.8)	87.8
PanAm Games	(23.3)	1.3	(0.6)	97.5
Sub-Total	(75.1)	9.8	(14.0)	82.5

The *City Clerk's Office* spent \$0.483 million or 8.5% of the 2013 Approved Capital Budget of \$5.694 million (including \$0.213 million in carry forward funding) for the period ended March 31, 2013; and forecast spending of \$4.622 million or 81.2% by year-end. The rate of spending for the first quarter of 2013 and projected under spending at year-end are attributed to the following:

- The *Enterprise Document and Record Management Solution (EDRMS)* project's capital expenditures totalled \$0.059 million representing 4.3% of the 2013 approved cash flow of \$1.407 million during the three months ended March 31, 2013. This is a multi-divisional project with the City Clerk's Office, Revenue Services and Information and Technology Division as partners. It is estimated that \$0.688 million or 48.9% of the 2013 approved cash flow will be spent by year-end. Anticipated under spending at year-end is a result of a vendor resource allocation issue and general under-performance. These issues have significantly delayed the project implementation. The vendor has since adjusted its resource allocation and work has resumed. Project completion has now moved to mid-September 2014.
- The *Alternate Voting* project's capital expenditures totalled \$0.054 million representing 6.3% of the approved cash flow of \$0.865 million during the three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$0.028 million from 2012 as well as \$0.837 million for the 2013 phase of capital activity. It is estimated that \$0.650 million or 75.1% of the approved 2013 cash flow will be spent by year-end. This is based on a preliminary estimate of pursuing a build option using in-house resources. This estimate may change once a

detailed analysis of resource requirements and a development schedule has been completed.

The Sustainable Energy Plan (SEP) incurred expenditures of \$0.140 million or 0.5 % of the 2013 Approved Capital Budget of \$30.868 million (including \$12.378 million carry forward funding) for the period ended March 31, 2013; and projects spending of \$20.797 million or 67.4% by year-end. The rate of spending for the first quarter of 2013 and projected under spending at year-end are attributed to the following:

- The *Toronto Energy Conservation Fund (TECF)* project had no capital expenditures during the three month period ended March 31, 2013. It is estimated that \$2.993 million or 75.0% of the 2013 approved cash flow will be disbursed for infrastructure improvements to Toronto Community Housing Corporation (TCHC) sites by year-end.
- The *Toronto Green Energy Fund (TGEF)* project had no capital expenditures during the three month period ended March 31, 2013. It is estimated that \$2.995 million or 100% of the 2013 approved cash flow will be disbursed for infrastructure improvements to Toronto Community Housing Corporation (TCHC) sites by year-end.
- The *Solar Photo-Voltaic Program* project had no capital expenditures during the three month period ended March 31, 2013. It is estimated that \$6.395 million or 100% of the 2013 approved cash flow will be spent by year-end for the installation of solar panels at various City facilities. Construction commenced in September 2012, with all sites projected to be completed by the end of 2013.
- The *Demand Response Program* had no capital expenditures during the three month period ended March 31, 2013. It is estimated that \$3.000 million or 40.2% of the 2013 approved cash flow will be spent by year-end for the installation of generators at various City facilities including City Hall and Metro Hall.

The Radio Communication System Replacement project's capital expenditures totalled \$7.229 million or 31.3 % of its 2013 Approved Capital Budget of \$23.086 million (including \$2.522 million carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$20.267 million or 87.8% by year-end. Spending in the first quarter of 2013 is reflects the third Motorola contract milestone (partial) payment of \$7.2 million which represents delivery 77% of the radio infrastructure equipment.

Projected year-end spending will focus on the facility and civil works to prepare the communication centres and radio sites for equipment installation. It is expected that the remaining equipment delivery and the majority of facility and civil work costs will occur by the end of 2013.

The Pan American Games project incurred expenditures of \$0.297 million or 1.3% of its 2013 approved cash flow of \$23.589 million during the period ending March 31, 2013; and spending is projected to be \$23.008 million or 98% by year-end. The rate of spending for the first quarter of 2013 is attributed to the following project:

- The *Resurfacing of Cycling Course* project had no capital expenditures during the period ending March 31st, 2013. The route for the cycling course has not yet been finalized by T02015 and the utilities need to be in place before work at the site can proceed. As a result, it is anticipated that there will be no expenditures of the 2013 approved cash flow of \$0.581 million by year-end.

City Agencies

During the three months ended March 31, 2013, actual capital expenditures for City Agencies totalled \$125.329 million or 6.2% of their collective 2013 Approved Capital Budget of \$2.010 billion. Spending is expected to increase to \$1.740 billion or 86.6% by year-end. As shown in the table below, all Agencies forecast capital expenditures to be in excess of 80% of their 2013 Approved Capital Budget by year-end.

Agencies				
Q1 2013 Capital Variance (\$ Million)				
	Actual to March 31, 2013		Projected 2013 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
Exhibition Place	(7.3)	3.7	0.0	100.0
Go Transit	0.0	100.0	0.0	100.0
Toronto And Region Conservation Authority	(5.6)	33.3	0.0	100.0
Toronto Police Service	(62.4)	9.0	(5.5)	91.9
Toronto Public Health	(5.0)	20.5	0.0	100.0
Toronto Public Library	(34.2)	11.8	(1.2)	96.9
Toronto Transit Commission	(1,763.5)	4.8	(263.3)	85.8
Toronto Zoo	(6.7)	12.0	0.0	100.0
Sub-Total	(1,884.6)	6.2	(270.0)	86.6

Exhibition Place spent \$0.284 million or 4.0 % of its 2013 Approved Capital Budget of \$7.576 million (including \$1.679 million in carry forward) for the period ended March 31, 2013. Capital spending is projected to reach \$7.576 million or 100% of its 2013 Capital Budget by year-end.

All capital projects proceeded as planned in the first three months of 2013.

Toronto and Region Conservation Authority (TRCA) received \$2.793 million or 33% of its 2013 Approved Capital Budget of \$8.380 million from the City of Toronto during the three months ended March 31, 2013. TRCA anticipates that the entire 2013 approved cash flow will be spent by year-end.

Toronto Police Service spent \$6.156 million or 9 % of its 2013 Approved Capital Budget of \$68.546 million (including \$21.133 million carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$63.004 million or 91.9% by year-end. The rate of spending for the first quarter of 2013 and projected under spending at year-end are attributed to the following:

- The *Integrated Records and Information System (IRIS)* project's capital expenditures totalled \$0.160 million or 2% of the 2013 approved cash flow of \$9.507 million during the three months ended March 31, 2013. Currently this project remains on schedule and within budget with \$8.368 million or 88% of the 2013 approved cash flow projected to be spent by year-end. The projected year-end under-spending is due to lower cost of software and licensing and developmental staffing costs.
- A number of projects such as *Small Equipment Replacement* project, *Call Centre Application Lifecycle Replacement* project and *Wireless Parking System* project fall under the *Vehicles & Equipment Lifecycle Replacement* program. Total expenditures for these projects are \$5.558 million representing 16% of the 2013 approved cash flow of \$35.409 million during the three months ended March 31, 2013. The projected year-end spending of \$31.006 million or 88% for these projects will be lower than planned due to delayed delivery of equipment, the Service's hardware inventory review (e.g. computers, laptops, printers, etc) and uncertainty of the impact of IRIS on servers and applications.

Toronto Public Health (TPH) spent \$1.293 million or 20.5 % of its 2013 Approved Capital Budget of \$6.291 million (including \$1.680 million carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$6.291 million or 100% by year-end. The rate of spending for the first quarter of 2013 is attributed to the following:

- The *Health Environment Inspection System* project's capital expenditures totalled \$0.089 million representing 13.0% of the 2013 approved cash flow of \$0.683 million. The 2013 approved cash flow is fully comprised of carry forward funding from 2012. The project schedule and impact on the funding requirements is currently under review due to a delay in the delivery of a new release of the Mobile Pal product by the vendor. It is estimated that \$0.683 million or 100.0 % of the 2013 approved cash flow will be spent by year-end.
- The *HF/HL Systems Integration* project's capital expenditures totalled \$0.358 million representing 14.6 % of the 2013 approved cash flow of \$2.456 million (including \$0.523 million of 2012 carry forward funding) during the three months ended March 31, 2013. The project is well underway and it is estimated that \$2.456 million or 100% of the 2013 approved cash flow will be spent by year-end.

- The *Web re: Brand* project's capital expenditures totalled \$0.059 million representing 13.9% of the 2013 approved cash flow of \$0.420 million. The project is on schedule and it is estimated that \$0.420 million or 100% of the 2013 approved cash flow will be spent by year-end.
- The *TPH Datamart Data Warehouse* project's capital expenditures totalled \$0.094 million representing 19.8% of the 2013 approved cash flow of \$0.474 million. The 2013 approved cash flow is fully comprised of carry forward funding from 2012. The project is on schedule and it is estimated that \$0.474 million or 100% of the 2013 approved cash flow will be spent by year-end.
- The *Infectious Disease Control Information System* project's capital expenditures totalled \$0.588 million representing 48.4% of the 2013 approved cash flow of \$1.215 million. The project is on schedule and it is estimated that \$1.215 million or 100% of the 2013 approved cash flow will be spent by year-end.
- The *HF/HL Point of Care* project's capital expenditures totalled \$0.105 million representing 10.1% of the 2013 approved cash flow of \$1.043 million. The project is on schedule and it is estimated that \$1.043 million or 100% of the 2013 approved cash flow will be spent by year-end.

Toronto Public Library (TPL) spent \$4.585 million or 11.8 % of its 2013 Approved Capital Budget of \$38.781 million (including \$7.987 million in carry forward funding) for the three months period ended March 31, 2013; and spending is projected to be \$37.581 million or 96.9% by year-end. The rate of spending for the first three months of 2013 is mainly attributed to the following projects /sub-projects:

- The *Scarborough Civic Centre Neighbourhood Construction* project's capital expenditure totalled \$0.065 million representing 2.1% of the 2013 approved cash flow of \$3.100 million (including \$0.715 million carry forward funding) during the three months ended March 31, 2013. The construction is expected to commence in April 2013. It is estimated that \$3.100 million or 100% of the 2013 approved cash flow will be spent by year-end.
- The *Self Service Circulation* project's capital expenditures totalled \$0.269 million representing 6.7 % of the 2013 approved cash flow of \$3.989 million. The 2013 approved cash flow is fully comprised of carry forward funding from 2012. The installation of sorters and self-service checkouts in the branches is expected to be completed in 2013. The installation of the main sorter at 1076 Ellesmere is dependent on the completion of the retrofit and expansion project at the Ellesmere site to accommodate the relocation of services from 281 Front Street. It is estimated that \$2.789 million or 69.9% of the 2013 approved cash flow will be spent by year-end.
- The *Library Processing Centre Relocation* project's capital expenditures totalled \$0.218 million representing 3.6 % of the 2013 approved cash flow of \$6.000 million during the three months ended March 31, 2013. The construction work is expected to start in spring 2013 subject to the site plan and building permit approval. It is estimated that \$6.000 million or 100% of the 2013 approved cash flow will be spent by year-end.

- The *Multi Branch Minor Renovation* project's capital expenditures totalled \$0.078 million or 2.7% of the 2013 approved cash flow of \$2.869 million (including \$0.369 million carry forward funding) during the three months ended March 31, 2013. It is estimated that \$2.869 million or 100% of the 2013 approved cash flow will be spent by year-end as the expenditures are expected to be incurred later in the year.

The ***Toronto Transit Commission (TTC)*** spent \$89.305 million or 4.8% of its 2013 Approved Capital Budget of \$1.853 billion (including \$131.3 million carry forward funding and the Toronto York Spadina Subway Extension with \$182.2 million carry forward funding) for the period ended March 31, 2013; and spending is projected to be \$1.589 billion or 85.8% by year-end. The rate of spending for the first two months of 2013 and projected under spending at year-end are attributed to the following:

- The *Leslie Barns LRT Maintenance and Storage Facility* project's capital expenditures totalled \$4.939 million representing 3.4% of the 2013 approved cash flow of \$146.9 million during the two months ended March 2, 2013. Project spending is lower than planned in the first quarter of 2013 and it is estimated that \$124.5 million or 84.7% of the 2013 approved cash flow will be spent by year-end. Anticipated under spending at year-end is a result of delays in certain contractual work including the relocation of utility cables.
- The *Toronto Rocket Yard and Tail Track Accommodation* project's capital expenditures totalled \$1.4 million representing 4.4% of the 2013 approved cash flow of \$31.8 million during the two months ended March 2, 2013. Project spending is lower than planned in the first quarter of 2013 and it is estimated that \$22.7 million or 71.3% of the 2013 approved cash flow will be spent by year-end. Anticipated under spending at year-end is a result of delays and slippage related to construction contract issues.
- The *Spadina Subway Extension* project's capital expenditures totalled \$43.3 million representing 5.1% of the 2013 approved cash flow of \$842.7 million during the two months ended March 2, 2013. Project spending is lower than planned in the first quarter of 2013 and it is estimated that \$592.2 million or 70.3% of the 2013 approved cash flow will be spent by year-end. Anticipated under spending at year-end is a result of project delays related to the tunneling contracts.

Toronto Zoo spent \$0.913 million or 12 % of its 2013 Approved Capital Budget of \$7.636 million (including \$1.120 million carry forward funding) for the period ended March 31, and projects spending of \$7.636 million or 100% by year-end. All Capital projects proceeded as planned in the first three months of 2013.

Rate Supported Programs

For the three months ended March 31, 2013, Rate Supported Programs' capital expenditures totalled \$36.462 million or 4.4% of their collective 2013 Approved Capital Budget of \$823.597 million. Spending is expected to increase to \$681.545 million or 82.8% by year-end. As shown in the table below, two out of three Programs project capital expenditures to December 31, 2013 in excess of 80% of their 2013 Approved Capital Budget.

Rate Supported Programs				
Q1 2013 Capital Variance (\$ Million)				
	Actual to March 31, 2013		Projected 2013 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
Toronto Parking Authority	(48.5)	4.2	0.0	100.0
Solid Waste Management Services	(99.5)	2.0	(40.1)	60.5
Toronto Water	(639.2)	4.8	(102.0)	84.8
Sub-Total	(787.1)	4.4	(142.1)	82.8

Toronto Parking Authority (TPA) spent \$2.106 million or 4.2% of its 2013 Approved Capital Budget of \$50.562 million (including \$22.329 million in carry forward funding) for the period ended March 31, 2013. The rate of spending for the first quarter of 2013 reflects the fact that SOGR projects (approximately \$12.115 million or 24% of the total) tend to start later in the spring when weather conditions are more favourable. There are also delays attributed to a need to complete studies and site assessments for some of the already identified sites, as well as delays in implementation of joint venture projects. It is anticipated that these delays will be resolved later in 2013, resulting in a projected spending of \$50.562 million or 100% by year-end. Any further impacts will be reported in the second quarter variance report.

Solid Waste Management Services (SWMS) spent \$2.020 million or 2.0 % of its 2013 Approved Capital Budget of \$100.388 million (including \$23.254 million in carry forward funding) for the period ended March 31, 2013; and projects spending of \$61.409 million or 60.5% by year-end. The rate of spending for the first quarter of 2013 and projected under spending at year-end is attributed to the following:

- The *Diversion Systems* project had no capital expenditures during the three months ended March 31, 2013. The 2013 approved cash flow of \$13.611 million includes carry forward funding of \$2.860 million from 2011/2012 as well as \$10.751 million for the 2013 phase of capital activity. It is estimated that \$2.225 million or 16% of the 2013 approved cash flow will be spent by year-end. The under-spending of \$12.1 million is mainly caused by the 2013 planned replacement of single family SSO containers being rescheduled to start in 2014.

- The *Green Lane Landfill* project had no capital expenditures during the three months ended March 31, 2013. The 2013 approved cash flow of \$32.732 million includes carry forward funding of \$7.546 million from 2011/2012 for landfill development as well as \$25.186 million for the 2013 phase of capital activity. The lower rate of spending is due to less construction activity during winter months. It is estimated that \$22.832 million or 69% of the 2013 approved cash flow will be spent by year-end as most construction activity occurs from April through November. \$9.9 million of projected unspent funding at year-end is attributable to the *Landfill Gas Utilization* project, as the engineering study is scheduled for 2013 and the RFP for construction tender is scheduled for 2014 with actual facility construction delayed to 2015.
- The *Construction of Biogas Utilization Infrastructure at Disco and Dufferin SSO Facilities* project had no capital expenditures during the three months ended March 31, 2013. With projected under-spending of \$6.8 million, the 2013 approved cash flow of \$7 million is estimated to be 3% or \$0.2 million spent by year-end. The engineering study is scheduled for 2013, the RFP for construction tender is scheduled for 2014 and actual facility construction is delayed to 2015 for *Disco SSO* and 2016 for *Dufferin SSO*.
- The project for *Reuse Centre Future Sites* had capital expenditures of \$0.022 million for the three months ended March 31, 2013. The 2013 approved cash flow includes carry forward funding of \$2.661 million from 2012 as well as \$1.5 million for the 2013 phase of capital activity. The first quarter spending of \$0.022 million was for preliminary design work and represents the projected spending by year-end. Under-spending at year-end is expected to be \$4.139 million is due to the deferral of the project.
- The *Dufferin SSO Processing Facility* project's capital expenditures were \$0.006 million representing 0.3% of the 2013 approved cash flow of \$2.085 million (including \$1.085 million in carry forward funding from 2012) during the three months ended March 31, 2013. Due to delayed start of construction in 2011 and continued under-spending in 2012, it is estimated that \$0.276 million or 13% of the 2013 approved cash flow will be spent by year-end to complete engineering studies and preliminary design.

Toronto Water spent \$32.335 million or 4.82% of the 2013 Approved Capital Budget of \$671.545 million (including carry forward funding of \$145.669 million) for the period ended March 31, 2013; and spending is projected to be \$569.574 million or 85% by year-end. The projected year-end spending rate meets the Rate Model completion rate target for 2013 of 85% for projects funded from the Toronto Water Capital Financing Reserve.

In 2013, significant progress will continue to be made on state of good projects to address infrastructure renewal; the *Highlined Treatment Plant Expansion*; implementation of the *Wet Weather Flow Master Plan*; the *Basement Flooding Relief* project; and implementation of the *Water Metering Program*.