

**Capital Variance Report  
for the Nine Months Ended September 30, 2013**

**Significant Variance Explanation**

**Citizen Centred Services "A"**

For the nine months ended September 30, 2013, capital expenditures for this Cluster totalled \$72.595 million or 26.1% of their collective 2013 Approved Capital Budget of \$278.568 million. Spending is expected to increase to \$170.542 million or 61.2% by year-end.

Citizen Centred Services "A"				
Q3 2013 Capital Variance (\$ Million)				
	Actual to September 30, 2013		Projected 2013 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
Children's Services	(4.1)	25.1	(1.8)	67.0
Court Services	(0.6)	14.4	(0.3)	54.0
Economic Development & Culture	(30.5)	22.0	(17.7)	54.9
Emergency Medical Services	(4.4)	20.5	(3.0)	46.5
Long-Term Care Homes & Services	(20.7)	47.2	(5.4)	86.3
Parks, Forestry & Recreation	(134.4)	23.9	(70.2)	60.2
Shelter, Support and Housing Administration	(10.2)	2.5	(9.1)	12.5
Toronto Employment and Social Services	(1.1)	26.4	(0.6)	60.0
<b>Sub-Total</b>	<b>(206.0)</b>	<b>26.1</b>	<b>(108.0)</b>	<b>61.2</b>

*Children's Services* spent \$1.374 million or 25.1 % of its 2013 Approved Capital Budget of \$5.468 million for the period ended September 30, 2013; year-end spending is projected to be \$3.663 million, or 67.0% by year-end.

Spending during the nine months ended September 30, 2013, includes expenditures for the following projects that are on track:

- The *Nelson Mandela Public School* project's capital expenditures totalled \$0.453 million or 98.6% of the 2013 approved cash flow of \$0.459 million. It is projected that 2013 approved cash flow will be fully spent by year-end.
- The *TELCCS* project's capital expenditures totalled \$0.218 million representing 27.8% of the 2013 approved cash flow of \$0.785 million during the nine months ended September 30, 2013. Project spending is traditionally lower than planned at this point in time, as capital upgrades must be co-ordinated among the 26 municipal child care centres. Spending is projected to accelerate in the final quarter, with the 2013 approved cash flow projected to be fully spent by year end.

The rate of spending for the third quarter and projected under-spending in 2013 are mainly driven by delays in the following projects:

- The *CSIS 3* project's capital expenditures totalled \$0.697 million representing 22.8% of the 2013 approved cash flow of \$3.058 million during the nine months ended September 30, 2013. Although the operator's applications are expected to be

implemented by year-end, the systems analysis application has been delayed, resulting in year-end spending projections of \$1.400 million. The unspent funds of \$1.658 million will be carried forward into 2014.

- The *New Child Care Centre* project had no capital expenditures against the 2013 approved cash flow of \$0.783 million during the nine months ended September 30, 2013. Construction at *St. Andrew Centre*, with an approved 2013 cash flow of \$0.516 million, has been completed, with the final contractor's billings to be settled by year-end. While the playground at the *Thorncliffe Park Child Care Centre*, with an approved 2013 cash flow of \$0.267 million has been completed, the contractor's billing will not be settled until year-end, due to construction deficiencies.
- The *Squirrel's Nest Day Care Centre* project's capital expenditures totalled \$0.006 million representing 2.4% of the 2013 approved cash flow of \$0.259 million during the nine months ended September 30, 2013. Although construction for the washroom upgrades has been completed there have been electrical delays associated with the installation of the elevator. Spending is projected to be \$0.182 million by year-end, and unspent funds of \$0.077 million will be carried forward into 2014.

The *Regent Park Children's Hub* project had no capital expenditures against the 2013 approved cash flow of \$0.124 million during the nine months ended September 30, 2013. Construction has been completed, and spending is anticipated to be \$0.054 million by year-end, with \$0.070 million to be carried forward into 2014 for completion of the security system.

**Courts Services** spent \$0.102 million or 14.4% of its 2013 Approved Capital Budget of \$0.713 million during the period ended September 30, 2013 and projects spending of \$0.385 million or 54% by year-end.

The projected actual cost for the project is anticipated to be lower than the approved budget. An existing software from another POA system will be utilized and the costs of the vulnerability assessment and penetration test came in lower than estimated resulting in savings of \$0.226 million. Of the projected year-end under spending of \$0.328 million, \$0.102 million will be carried forward into 2014.

**Economic Development and Culture** incurred expenditures of \$8.634 million or 22% of its 2013 Approved Capital Budget of \$39.184 million for the period ended September 30, 2013; and spending is projected to be \$21.523 million or 54.9% by year end.

The under-spending for the third quarter of 2013 and projected year-end is mainly driven by the following projects:

- The *BIA Streetscape Improvement Program* project's capital expenditures totalled \$1.132 million representing 22.8% of the 2013 approved cash flow of \$4.970 million during the nine months ended September 30, 2013. It is estimated that \$4.341 million or 87.3% of the 2013 approved cash flow will be spent by year-end;

- The *Fort York Visitor Centre (FYVC)* project's capital expenditures totalled \$5.747 million representing 26.1% of the 2013 approved cash flow of \$21.982 million during the nine months ended September 30, 2013. It is estimated that \$8.875 million or 40.4% of the 2013 approved cash flow will be spent by year-end. Therefore, the budget expected to be carried forward into 2014 is \$13.107 million. The schedule for the *Fort York Visitor Centre* project was set back by a full year in 2011 when the original tender exceeded the approved project budget and required redesign and re-tendering. The project is under construction now and proceeding according to a revised schedule that has a target completion date of May 7, 2014;
- The *Fort York Interiors* project's capital expenditures totalled \$0.103 million representing 15.8% of the 2013 approved cash flow of \$0.650 million during the nine months ended September 30, 2013. It is estimated that \$0.190 million or 29.2% of the 2013 approved cash flow will be spent by year-end. Therefore, the budget expected to be carried forward into 2014 is \$0.460 million. The project was delayed as the focus was placed on completing exhibits within the new Visitor Centre and planning for a more coherent exhibit experience across the site. The majority of work on the interiors project, which includes exhibit design, fabrication and installation, will be undertaken in 2014;
- The *John Street Roundhouse Museum* project did not incur any capital expenditures against its 2013 approved cash flow of \$0.638 million during the nine months ended September 30, 2013. No increased capital spending is projected to be incurred by year-end. Toronto Hydro continues to develop the 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 Toronto Hydro completes its changes to the original plan for the substation. The project target completion date is December 2014, to be on-stream in time for the Pan-Am Games;
- The *Casa Loma Exterior* project's capital expenditures totalled \$0.198 million representing 14.2% of the 2013 approved cash flow of \$1.400 million during the nine months ended September 30, 2013. It is estimated that \$0.658 million or 47.1% of the 2013 approved cash flow will be spent by year-end. Therefore, the budget expected to be carried forward into 2014 is \$0.742 million. 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 Club. In 2012, the project budget and project scope were adjusted and phase 7A commenced. Phase 8 is out for tender to a list of pre-qualified contractors. By the third quarter of 2014 spending is expected to be back on schedule;
- The *Cedar Ridge Elevator* project's capital expenditures totalled \$0.003 million representing 1.3% of the 2013 approved cash flow of \$0.198 million during the nine months ended September 30, 2013. It is estimated that \$0.011 million or 5.6% of the 2013 approved cash flow will be spent by year-end. Therefore, the budget expected to

be carried forward into 2014 is \$0.187 million. The elevator re-habilitation project at Cedar Ridge has been delayed by one full calendar year to 2014 due to the technicians strike in 2013. The work requires a two-month shut-down of the elevator and the site operation can only accommodate this in June-July timeframe.

- The *Colborne Lodge Coach House* project did not incur any capital during the nine months ended September 30, 2013. It is estimated that \$0.030 million or 13.6% of the 2013 approved cash flow of \$0.220 million will be spent by year-end. Therefore, the budget expected to be carried forward into 2014 is \$0.190 million. The project required an archaeological review before work could commence, and once that was complete on-site investigation was hindered by the excessive rain in the spring and early summer, causing a delay in the project.

***Emergency Medical Services (EMS)*** spent \$1.130 million or 20.5 % of its 2013 Approved Capital Budget of \$5.517 million for the period ended September 30, 2013; and spending is projected to be \$2.815 million or 51% by year-end.

The following projects are on track and are projected to be completed by year-end:

- The *Medical Equipment Replacement* project (\$0.560 million) for the replacement purchase of stretchers, stair chairs, scoop stretchers and spine boards.
- The *Public Access Defibrillator (PAD)* purchase project (\$0.125 million) for the purchase of automatic external defibrillators under the City's Public Access Defibrillator (PAD) Program.

The projected under-spending in 2013 is mainly driven by delays in the following projects:

- The *Large Station at Plewes Road* project had no spending as of September 30, 2013. The project was delayed as the original site at Plewes Road was no longer available for EMS. The purchase of the alternative site at 1300 Wilson Avenue is expected to be completed in late 2013 with funding from the Land Acquisition Reserve Fund (LARF). Capital spending is projected to reach \$0.150 million by year-end with projected under-spending of \$1.850 million to be carried forward into 2014 for station design and site preparation.
- The *Station Security* project's expenditures totalled \$0.634 million or 38% of the 2013 approved cash flow of \$1.644 million during the nine months ended September 30, 2013. Capital spending is projected to reach \$1.300 million by year-end with projected under-spending of \$0.344 million to be carried forward into 2014. The installation of the security system's 2 prototypes (S/W hub and Station 30) in all EMS owned stations are expected to be completed in 2013 while installation in Fire Services and EMS shared facilities are scheduled to be completed in early 2014.
- The *Mobile Data Communications* project, with 2013 approved cash flow of \$0.435 million, had no spending during the nine months ended September 30, 2013. Capital spending is projected to reach \$0.300 million by year-end with projected under-spending of \$0.135 million to be carried forward into 2014. The RFQ was delayed

due to difficulties experienced in developing the specifications that will address EMS' requirements.

***Long-Term Care Homes & Services (LTCHS)*** spent \$18.475 million or 47.2% of its 2013 Approved Capital Budget of \$39.180 million for the period ended September 30, 2013; and spending is projected to be \$33.819 million or 86.3% by year-end.

The following project is on track and is projected to be completed by year-end:

- The *Long Term Care Homes Act* project's capital expenditure totalled \$0.306 million representing 34.3% of the 2013 approved cash flow of \$0.891 million during the nine months ended September 30, 2013. It is estimated that \$0.891 million or 100% of the 2013 approved cash flow will be spent by year-end.

The projected under-spending in 2013 is mainly driven by delays in the following projects:

- The *Capital Maintenance* project's capital expenditures totalled \$1.395 million representing 18.29% of the 2013 approved cash flow of \$7.628 million during the nine months ended September 30, 2013. LTCHS has awarded approximately \$4.800 million in approved projects this fiscal year with a target completion by December 2013. Additional projects are in the tendering phase and site work will start by November 2013. Capital spending is projected to reach \$4.868 million or 63.8% by year-end with projected under-spending of \$2.738 million to be carried forward into 2014.
- The *Kipling Acres Redevelopment* project's capital expenditures totalled \$16.774 million representing 54.7% of the 2013 approved cash flow of \$30.661 million during the nine months ended September 30, 2013. The project is progressing well on site with occupancy for the 192-bed phase in December 2013. Upon completion of the 192-bed phase, development of the remaining 145-bed phase will proceed on the existing Kipling Acres location, with major demolition expected to be completed by March 2014. Architects are developing the design and contract documents for the 145-bed phase. Capital spending is projected to reach \$28.060 million or 91.5% by year-end with projected under-spending of \$2.601 million to be carried forward into 2014.

***Parks, Forestry and Recreation's (PF&R)*** capital expenditures for the period ended September 30, 2013 totaled \$42.223 million or 23.9% of its 2013 Approved Capital Budget of \$176.592 million; and spending is projected to be \$106.382 million or 60.2% of the 2013 approved cash flow.

The following projects are on track for which Parks, Forestry and Recreation spent \$8.116 million or 65.4% as of September 30, 2013 of the combined approved cash flow of \$12.415 million. PF&R projects to spend 100% of the cash flows by year-end:

- Improvements to 12 playgrounds (\$1.500 million) include *Withrow Park Play* (\$0.125 million), *Wellesworth Park Play* (\$0.125 million), *Prince of Wales Park Play*

(\$0.125 million), *Robert Hicks Park Play* (\$0.125 million) and various others (\$1 million). All projects will be completed by December 2013.

- A new water play at Indian Line Park (\$0.450 million) with expected completion date of December 2013.
- The *Commander Arena CC – Install Elevator* project (\$0.700 million) phased over 2012 and 2013 includes the installation of elevators allowing community access to the second floor of the centre to better service patrons with disabilities and young children. The project is on track with an anticipated completion date of December 2013.
- The *Scarborough Village Arena* project (\$0.550 million) includes state-of-good-repair rehabilitation work, renovation of the previous zamboni garage space and servicing area. The project has an expected completion date of December 2013.
- The *Greenwood Artificial Ice Rink Cover* project (\$1.200 million) includes the construction of a roof structure to cover the existing outdoor artificial ice rink at Greenwood Park. The project is on track for completion by November 2013.
- The *Leaside Memorial Gardens Expansion* project (\$12.500 million) funded by \$9 million in recoverable debt, \$1 million in reserve funds, and \$2.5 million in donations provides for the construction of a second ice pad at the arena. The project has an expected completion date of October 2013.

The projected under-spending is mainly driven by delays in the following projects:

- The *Facility Components* project's capital expenditures totalled \$2.867 million representing 33.6% of the 2013 approved cash flow of \$8.543 million, with spending projected to be \$6.307 million or 73.8% by year-end. Expected under-spending of \$2.236 million is attributed to the following projects: the *311 Customer Service Strategy* project (\$1.003 million) as the Work Management system is still under development; the capital asset planning project (\$0.400 million); and the divisional accessibility program project (\$0.650 million) as the project scope at various sites is being reconfirmed.
- The *Land Acquisition* project's capital expenditures totalled \$2.513 million representing 32% of the 2013 approved cash flow of \$7.862 million, with spending projected to be \$3.411 million or 43.4% by year-end. \$4.451 million of under-spending is attributed to the following projects: \$3.664 million due to expropriation process delays for the acquisition of various sites including the *Expropriation of 111 & 113 Finch Ave. W* and *Land Acquisitions Edithvale Park*; and \$0.787 million due to protracted environmental approvals and remediation work at various sites including *Grand Manitoba/Mystic, Stafford, Paton Road* and the *1555 Danforth/Woodgreen* project.

- The *Park Development* project's capital expenditures totalled \$6.820 million or 20.4% of the 2013 approved cash flow of \$33.443 million for the period ended September 30, 2013, with spending projected to be \$22.497 million or 67.3% by year-end. Projected under-spending of \$10.946 million is attributed to delays in the following projects: the *Grange Park* project (\$5.0 million) as the City of Toronto is still in negotiations with the Art Gallery of Ontario (AGO); the development of *Mystic Point Park* project (\$1.082 million) due to land transfer issues; and various other park development projects due to ongoing design work and extended community consultation processes.
- The *Trails and Pathways* project's capital expenditures totalled \$0.647 million or 18.5% of the 2013 approved cash flow of \$3.486 million for the period ended September 30, 2013, with spending projected to be \$2.141 million or 61.4% of 2013 approved cash flow by year-end. Projected under-spending of \$1.345 million is primarily due to delays in completing a provincial environment assessment for the *Etobicoke Creek Trail Improvements S37* project (\$0.358 million); *Trails, Pathways and Bridge* (CAMP) projects (\$0.500 million) and *Eastern Beaches Boardwalk Improvements* project (\$0.392 million) which are delayed due to impact of public access and programming constraints.
- The *Community Centres* project's capital expenditures totalled \$6.926 million or 10.4% of the 2013 approved cash flow of \$66.781 million for the period ended September 30, 2013, with spending projected to be \$25.690 million or 38.5% by year-end. Projected under-spending of \$41.091 million is attributed to the following projects: the *Railway Lands Community Centre* project (\$11.145 million) due to ongoing negotiations with multiple development partners; the *York Community Centre* project (over \$4.5 million) due to various delays in the site plan approval process including Toronto and Region Conservation Authority's requirement (TRCA) to stabilize the Black Creek bank; the *Regent Community Centre* project (over \$14.5 million) due to pro-longed environmental soil remediation and testing requirements; the *Canadian Tire Community Centre* project (over \$6 million) as it is still in the initiation stage; the *Milliken Community Centre* project (\$1.85 million) as the Section 37 funds have not yet been received; and various *Community Centre CAMP* projects will not be completed by year end due to construction and programming restrictions.
- The *Special Facilities* project's capital expenditures totalled \$1.970 million representing 22.1% of the 2013 approved cash flow of \$8.900 million for the third quarter, with spending projected to be \$7.250 million or 81.5% of plan by year-end. Projected under-spending of \$1.650 million is attributed to the following sub-projects: various CAMP projects (\$1.2 million) due to delays in the specialized nature and extensive approvals process for Seawall rehabilitation and public access constraints; and the *Guild Inn* project (\$0.450 million) as renovations are pending the results of a Request for Expression of Interest to renovate and operate the facility.

**Shelter, Support and Housing Administration (SSHA)** spent \$0.260 million or 2.5 % of its 2013 Approved Capital Budget of \$10.414 million for the period ended September 30, 2013; and spending is projected to be \$1.305 million or 12.5% by year-end. The rate of spending for the third quarter of 2013 and the projected year-end under spending is attributed to the following projects:

- The *Capital Repairs/ Replacements for City Operated/ Leased Shelters* project expenditures totalled \$0.063 million representing 4.1% of the 2013 approved cash flow of \$1.545 million. Project spending will accelerate during the last quarter, once purchase orders have been fulfilled, with year-end spending projected to be \$0.910 million or 58.3%. Project under spending of \$0.635 million will be carried forward from 2013 into 2014.
- The Shelter Development / Seaton Redevelopment project expenditures totaled \$0.192 million representing 2.2% of the 2013 approved cash flow of \$8.814 million. As a portion of the funding for the feasibility study is not required in 2013, and because the purchase of the three parcels of land adjacent to the Seaton House shelter has been delayed until 2014, \$8.474 million will be carried forward from 2013 into 2014.

**Toronto Employment & Social Services (TESS)** spent \$0.396 million or 26.4 % of its 2013 Approved Capital Budget of \$1.500 million for the period ended September 30, 2013; and projected spending of \$0.900 million or 60% by year-end.

During the first nine months of 2013, TESS spent \$0.376 million on the following projects/subprojects that are on track:

- The *Web-Based IT Development* project:
  - *MIS - Data Mart - Phase 1* project capital expenditures totalled \$0.031 million representing 15.4% of the 2013 approved cash flow of \$0.200 million. TESS is currently working with PMMD to obtain consulting services off the IT roster for completing the Business Intelligence (BI) upgrade to include statistical queries by geographical location for mapping purposes. It is estimated that the cashflow funding for this project phase will be fully spent by year-end.
  - *Employment Assistance – Phase 2* project capital expenditures totalled \$0.345 million representing 69.0% of the 2013 approved cash flow of \$0.500 million. 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 cashflow funding for this project phase will be fully spent by year-end.

The rate of spending for the third quarter of 2013 and the projected year-end under spending is attributed to the *Case Management - Phase 2* project with capital expenditure totalled \$0.020 million representing 2.5% of the 2013 approved cash flow of \$0.800 million. Implementation of SAMS (Social Assistance Management System), the new Provincial technology for the delivery of the Ontario Works program, has been delayed until 2014.

## Citizen Centred Services “B”

During the nine months ended September 30, 2013, capital expenditures for this Cluster totalled \$113.179 million or 26.1% of their collective 2013 Approved Capital Budget of \$434.414 million. Spending is expected to increase to \$265.548 million or 61.1% by year-end.

Citizen Centred Services "B"				
Q3 2013 Capital Variance (\$ Million)				
	Actual to September 30, 2013		Projected 2013 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
City Planning	(9.3)	18.8	(3.9)	66.2
Fire Services	(14.9)	10.5	(8.5)	48.8
Transportation Services	(253.6)	24.0	(136.7)	59.0
Waterfront Revitalisation Initiative	(43.5)	40.3	(19.8)	72.8
<b>Sub-Total</b>	<b>(321.2)</b>	<b>26.1</b>	<b>(168.9)</b>	<b>61.1</b>

*City Planning* spent \$2.147 million or 18.8% of its 2013 Approved Capital Budget of \$11.422 million for the period ended September 30, 2013; and spending is projected to be \$7.563 million or 66.2% by year end.

The Program spent \$1.787 million on the following projects that are on track:

- The *Civic Improvement - Places* project (\$0.662 million) which includes design work to enhance open spaces within the road allowance in coordination with divisional capital works programs. The multi-year project is forecasted to be on schedule and completed by 2014;
- The *Five Year Review of the Official Plan* project (\$0.515 million) which provides funding for the Planning Act's statutory Five Year Review of the Official Plan as well as a Municipal Comprehensive Review. The multi-year project is forecasted to be on schedule and completed by 2014; and
- The *New Zoning By-Law Support for Legal Challenges* project (\$0.610 million) which provides funding for the Zoning By-law Planning and Legal teams; is forecasted to be on schedule and completed by the end of 2013.

The under-spending for the third quarter of 2013 is mainly driven by delays in the following projects:

- The *Development Charge Funded Studies* project's capital expenditures totaled \$0.306 million representing 9.3% of the 2013 approved cash flow of \$3.275 million during the nine months ended September 30, 2013. Project spending is lower than planned for this period due to finalization of procurement documents and it is estimated that \$2.176 million or 66.4% of the 2013 approved cash flow will be spent by year-end; and
- The *John Street Revitalization* project did not incur any capital expenditures as of September 30, 2013, due to delays in the procurement process. Project completion is expected by December 31, 2014 and it is estimated that \$0.088 million or 5.0% of the

2013 approved cash flow will be spent by year-end.

**Toronto Fire Services' (TFS)** spent \$1.739 million or 10.5% of its 2013 Approved Capital Budget of \$16.626 million for the period ended September 30, 2013; and spending is projected to be \$8.120 million or 48.8% by year-end.

The following projects are on track and are projected to be completed by year-end:

- Air Compressor trailer project (\$0.100 million) ) for the acquisition of a mobile air compressor to refill oxygen tanks;
- Replacement of Heavy Urban Search & Rescue (HUSAR) Equipment (\$0.377 million) project for the continuous replacement of emergency response equipment required by Fire Services' HUSAR team; and
- Training Simulators Rehabilitation (\$0.100 million) project for the annual capital maintenance for the East & West Burn-houses training simulators.

The under-spending for the third quarter of 2013 and projected year-end under-spending are mainly driven by delays in the following projects:

- The *Station D #221* project's expenditures totalled \$1.563 million or 33% of the 2013 approved cash flow of \$4.695 million during the nine months ended September 30, 2013. Capital spending is projected to reach \$3.000 million by year-end with projected under-spending of \$1.695 million to be carried forward into 2014 (funded from the Development Charge Reserve). The project was delayed due to the removal of additional contaminated soil and oil tanks. The project is now estimated to be completed by March 2014.
- The *Station B* (Keele Street between Sheppard Avenue and Wilson Avenue) project with a 2013 approved cash flow of \$4.786 million had no spending during the nine months ended September 30, 2013. The land acquisition from Downsview Park is anticipated to be completed by the end of 2013. Capital spending is projected to reach \$4.250 million by year-end with projected under-spending of \$0.536 million to be carried forward into 2014.
- The *Replacement of Fire Station #135* project's expenditure totaled \$0.016 million or 3.6% of the 2013 cash flow of \$0.444 million during the nine months ended September 30, 2013. Capital spending is projected to reach \$0.050 million by year-end with projected under-spending of \$0.394 million to be carried forward into 2014.
- The *Predictive Modelling Tool* project with 2013 approved cash flow of \$0.300 million had no spending during the nine months ended September 30, 2013. The project will not be completed this year as planned, which will result in the total funding of \$0.300 million being carried forward into 2014. Fire Services staff issued a Request for Information (RFI) prior to initiating further procurement activities and is currently reviewing the results. The RFI will form the basis of an RFP which is anticipated to be issued by mid-October and a contract awarded prior to year-end.
- The *Self-Contained Breathing Apparatus-Replacement project* with a 2013 approved cash flow of \$5.824 million had no spending during the nine months ended September 30, 2013. The project is now anticipated to be completed in the first

quarter of 2014 due to a delay in the revision of the NFPA standard governing this equipment. Manufacturers are currently in the process of certifying the new designs and units will be available for sale in 2014. Capital spending is projected to reach \$0.243 million by year-end with projected funding of \$5.581 million to be carried forward into 2014.

**Transportation Services (TS)** had spending of \$79.892 million or 24.0% of its 2013 Approved Capital Budget of \$333.452 million for the period ended September 30, 2013; and spending is projected to reach \$196.748 million or 59.0% by year-end. However, the majority of under spending is attributable to savings of \$54.149 million or 16.2% of the 2013 Approved Capital Budget related to completed projects (where funding is not required to be carried forward to 2014) and projects where contracts have already been awarded of \$49.659 million or 14.9% of the 2013 Approved Capital Budget (but actual expenditures will not occur until 2014).

The rate of spending for the nine months ended September 30, 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 through to the latter part of the year, after contracts are tendered and awarded. Contract awards for the reconstruction, repair and resurfacing of various roads; rehabilitation of bridges; etc. have already been awarded and committed, but a low spend rate is reflected due to the time lag. Spending on these projects will increase significantly in the fourth quarter, resulting in a much higher spend rate by year-end.

The Program had spending of \$69.702 million to the end of the third quarter and expects to spend \$162.775 million or 63.8% by year-end for projects that are expected to be on track. These are ongoing capital programs with annual projects and include the following:

- The *Major Roads* program incurred expenditures of \$17.940 million and spending of \$32.614 million or 58.7% of the 2013 approved cashflow of \$55.516 million is projected by year-end. Addressing Transportation Services' state of good repair backlog was a key capital priority during the 2013 Budget process. This is reflected in increased base funding for the *Major Road Resurfacing* program (additional \$15 million budgeted).
- The *Local Road Rehabilitation* program had expenditures of \$11.086 million and \$36.279 million or 84.3% of the 2013 approved cashflow of \$43.027 million is projected to be spent by year-end.
- The *Sidewalk Rehabilitation* program, that ensures the safety of pedestrians, had spending of \$3.383 million and \$6.591 million or 69.3% of the 2013 approved cashflow of \$9.508 million is projected to be spent by year-end.
- The *Infrastructure Enhancement* project's capital expenditure totalled \$4.994 million and \$15.283 million or 48.7% of the 2013 approved cashflow of \$31.388 million is projected to be spent by year-end. This capital program consists of cycling infrastructure projects, specifically off-street trail projects that had spending of \$1.093 million and is projecting spending of \$3.914 million by year-end; and various

construction projects (i.e. TTC track replacement) that had spending of \$1.400 million and is projecting spending of \$2.050 million by year-end.

- The *City Bridge Rehabilitation* project's capital expenditure totalled \$14.833 million and \$34.080 million or 75.2% of the 2013 approved cashflow of \$45.320 million is projected to be spent by year-end.
- The *Neighbourhood Improvement* project's capital expenditure totalled \$0.687 million and \$4.210 million or 93.8% of the 2013 approved cashflow of \$4.488 million is projected to be spent by year-end.

Most of the year-end under-spending is anticipated in Transportation capital projects that require third party coordination and/or funding; community consultation; or are development/transit dependent. These projects include *Neighbourhood Improvements* program; *Traffic Control* projects; *Infrastructure Enhancements* project; and *Bridge Rehabilitation* program.

At this time, the Program estimates that its required carry forward funding for 2013 will be \$77.610 million or 23.3% of its 2013 Approved Capital Budget. Some of the large projects requiring carry forward funding include: *Road Resurfacing / Reconstruction* (\$14.346 million); *City Bridge Rehabilitation* (\$5.735 million); *Gardiner Expressway Rehabilitation* (\$4.846 million); *Traffic Control* (\$20.589 million); *Sidewalks* (\$1.967 million); *Infrastructure Enhancements* (\$24.917 million); various construction projects related to the TTC (\$2.500 million); and *Cycling Infrastructure* (\$2.529 million).

***Waterfront Revitalization Initiative*** had expenditures of \$29.401 million or 40.3% of the projects 2013 Approved Capital Budget of \$72.913 million for the period ended September 30, 2013; and spending is projected to be \$53.117 million or 72.8% by year-end.

The rate of spending for the third quarter of 2013 and projected underspending at year-end are attributed to the following projects/sub-projects:

- The *Union Station* project did not incur any capital expenditures during the first nine months ended September 30, 2013, as funding from the Province and deferred contributions have been sufficient to cover capital expenditures. Planning, design and construction of the second subway platform and associated concourse improvements are forecasted to be on schedule and completed by 2015. It is estimated that \$8.852 million or 100.0% of the 2013 approved cash flow will be spent by year-end;
- The *Precinct Implementation* project's capital expenditures totalled \$18.602 million or 39.2% of the 2013 approved cash flow of \$47.479 million during the nine months ended September 30, 2013. Due to a delay in the execution of funding agreements in East Bayfront, as well as a review of East Bayfront Transit, project spending is lower than planned in the third quarter of 2013. It is anticipated that \$32.000 million or 67.4% of the 2013 approved cash flow will be spent by year-end and \$15.479 will be carried forward to 2014.

- The *Transportation Initiatives* project's capital expenditures totalled \$1.881 million or 39.2% of the 2013 approved cash flow of \$4.796 million during the nine months ended September 30, 2013. Spending is lower than planned due to the timing of the Gardiner EA which is expected to be completed in 2015. It is anticipated that \$2.205 million or 46.0% of the 2013 approved cash flow will be spent by year-end and \$2.205 million will be carried forward to 2014; and
- The *Sportsfields Facilities & Parks Development* project's capital expenditures totalled \$1.202 million representing 58.0% of the 2013 approved cash flow of \$2.072 million during the nine months ended September 30, 2013. Savings are forecasted as a result of reducing the scope for the parkland development project for the M27 Development and therefore it is estimated that \$1.202 million or 58.0% of the 2013 approved cash flow will be spent by year-end.

## Internal Services

For the nine months ended September 30, 2013 capital expenditures for Internal Services totalled \$137.354 million or 36.1% of their collective 2013 Approved Capital Budget of \$380.153 million. Spending is expected to reach \$223.279 million or 58.7% by year-end.

<b>Internal Services</b>				
Q3 2013 Capital Variance (\$ Million)				
	<b>Actual to September 30, 2013</b>		<b>Projected 2013 Year-End Spending</b>	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
311 Toronto	(4.4)	41.5	(2.9)	60.7
Facilities Management & Real Estate	(138.8)	37.3	(3.9)	58.5
Financial Services	(26.0)	26.1	(16.7)	52.6
Fleet Services	(33.6)	40.7	(21.6)	61.8
Information Technology	(44.5)	33.5	(26.8)	60.0
<b>Sub-Total</b>	<b>(242.8)</b>	<b>36.1</b>	<b>(156.9)</b>	<b>58.7</b>

**311 Toronto's** capital expenditures for the period ended September 30, 2013 totalled \$3.103 million or 41.5% of its 2013 Approved Capital Budget of \$7.474 million; and is projecting expenditures to be \$4.538 million or 60.7% by year-end.

The Program spent \$0.287 million on The Counter (Kiosk) project representing 74.6% of the 2013 approved cash flow of \$0.385 million. This capital project is currently on track and will be completed by the end of 2013 with a projected expenditure of \$0.295 million. An analysis will be completed to determine counter service efficiencies and strategies that will help future cross divisional scheduling at counters.

The projected under-spending in 2013 is mainly driven by delays in the following projects:

- The *Future Integration and Strategy* project's capital expenditures totalled \$1.636 million representing 36.0% of the 2013 approved cash flow of \$4.542 million. Phase 1 of the cross divisional scheduler project, which allows 311 Toronto to book court rooms and meeting rooms, is completed and will be deployed in the fourth quarter of 2013. Phase 2 is underway as 311 Toronto, in conjunction with Corporate I&T Enterprise Architecture is gathering business requirements from other Divisions that also require on-line booking, but due to unforeseen delays in hiring resources, the project will continue into 2014. As a result, it is estimated that \$2.931 million or 64.5% of the 2013 approved cash flow will be spent by year-end.
- The *311 Technology Solution SOGR* project's capital expenditure totalled \$1.180 million representing 46.3% of the 2013 approved cash flow of \$2.547 million. Due to unforeseen delays in hiring resources, the upgrade/replacement of servers, hardware and software will not be completed as planned until Q1 2014. As a result, it is estimated that \$1.312 million or 51.5% of the 2013 approved cash flow will be spent by year-end.

**Facilities Management and Real Estate (FM&RE)**'s capital expenditures for the nine months ending September 30, 2013 totaled \$100.550 million or 32.2% of the 2013 Approved Capital Budget of \$312.357 million; and spending is projected to be \$178.970 million or 57.3% by year-end.

Of the funds spent, \$12.778 million or 22.8% of the 2013 approved cash flow of \$55.975 million were incurred primarily for various Health and Safety and State of Good Repair (SOGR) capital projects which comprise of a number of sub-projects of varying size and scope to address major maintenance and life cycle asset management issues at City facilities. Delays due to re-tendering for bids that came in higher than budget, addressing client scope changes, industry issues such as the elevator strike, and other procurement issues has resulted in estimated spending of \$38.037 million or 68.0 % of the 2013 approved cash flow by year-end.

The projected year-end under-spending is largely attributable to the following projects:

- The *Union Station Revitalization (USR)* project's capital expenditures totaled \$82.687 million or 37.3% of the 2013 approved cash flow of \$221.457 million as of September 30, 2013. Phase 1 of the project experienced delays mainly due to found site conditions such as heritage and environmental elements. Work plans have been revised to address these issues, with Phase 1 of the project now expected to be complete in 2014. These delays have impacted the timelines for Phase 2, which is now planned to commence in 2014. Also, found conditions at the NW PATH project, specifically utilities, have delayed progress on Phase 1 of this project. This is now expected to be completed in 2014. As a result, spending for the USR project is forecasted to be \$129.621 million or 58.5% of the 2013 approved cash flow by year-end.
- The *Nathan Phillips Square Revitalization (NPSR)* project's capital expenditures totaled \$3.525 million representing 18.1% of the 2013 approved cash flow of \$19.513 million. The NPSR project experienced delays due to the decision to close out the contract for Phase 1 and 2 and to re-tender the scope of work for Phase 3 under a revised contract structure. The contract for Phase 3 of the project including the relocation of the Peace Garden, landscaping work along Queen and Bay Streets and other work on the Square has been finalized with mobilization and work underway. As a result, it is estimated that \$7.5 million or 38.4% of the 2013 approved cash flow will be spent by year-end.
- The *St. Lawrence Market North (SLMN) Redevelopment* project's capital expenditures totaled \$0.335 million or 13.4% of the 2013 approved cash flow of \$2.500 million. During the first half of the year, the project was on hold as staff attempted to align the design with the original approved project budget of \$76.165 million. In July 2013, Council adopted a revised financing plan to address the requirement for the additional funding of \$15.293 million, thus bringing the project costs from the initial \$76.165 million to \$91.458 million. Staff are currently working with the consultant on a re-design based on the Council approved changes. As a result, it is estimated that approximately \$1.0 million or 40.0% of the 2013 approved cash flow will be spent by year-end.

- The *Westwood* project has not incurred any capital expenditures against the 2013 approved cash flow of \$6.8 million. It is estimated that approximately \$0.700 million or 10.3% of the 2013 approved cash flow will be spent by year-end as Build Toronto will demolish the theatre building and complete front-end geotechnical work, environmental testing and other property-related work for the Westwood Theatre Lands.
- The *Old City Hall HVAC and Electric Upgrades* project's capital expenditures totaled \$1.226 million representing 34.6% of the 2013 approved cash flow of \$6.112 million. Contractual disputes with the general contractor has delayed progress and extended the end date of the project into 2015. As a result, it is estimated that only \$2.112 million or 34.6% of the 2013 approved cash flow will be spent by year-end.

***Financial Services'*** capital expenditures for the period ended September 30, 2013 totalled \$9.180 million or 26.1% of its 2013 Approved Capital Budget of \$35.153 million; and spending is projected to be \$18.502 million or 52.6% by year-end.

Funds spent in the first nine months of 2013 have been for the completion of or significant progress on the follow projects:

- The successful completion of the cashiering and the e-Post components in the Revenue System Phase II Project (\$0.362 million). The City introduced E-Post for electronic delivery and payment with the 2013 interim property tax bills in January 2013, and the Cashiering project successfully completed on March 1st, 2013 with all eight counter operation locations going live in the month of February.
- The Financial Planning, Analysis and Reporting System (FPARS) project's capital expenditures totalled \$7.913 million in order to proceed as planned with the implementation of the Public Budget Formulation (PBF), Reporting Analytics, and Complement Management functionality as well as re-engineering accounting and payroll transactional processes. PBF went live in May 2013, for use by City Divisions and Agencies for submission of their 2014 Operating Budget requests and will be used for the balance of the 2014 Budget process, up to and including the "booking" of the 2014 calendarized budget in SAP. Work is progressing on the remaining PBF and complement management functionality, financial and payroll components of SAP to achieve the service view, all of which is planned to go live November 12, 2013 and fully operational for January 1, 2014 from which time, budgets and actual expenditures (payroll and non payroll) as well as complement information will be organized according to each City Division's Program Map of services and activities. The FPARS project is projecting under spending of \$6.317 million due to a decision made to delay the implementation of Enterprise Performance Management (EPM) functionality to 2014. The project is currently exploring the full potential of the new SAP performance and reporting functionality offered from the SAP Business Warehouse and Business Intelligence tools and its ability to deliver reporting, analytics and score-carding solutions for the City prior to engaging in the final activity of this project.

- The Accounts Payable Process Improvements project is progressing with enhancements to an in-house built Electronic Payment Submission (EPS) application to accommodate the recent elimination of the penny and automate PCard Profile management by year-end

The under-spending in 2013 is mainly driven by delays in the following projects:

- The *Tax Billing System Replacement* project and *Utility Billing System Replacement* project will not incur any expenditures in 2013 due to a re-evaluation of the planned solution that revealed it may not fully meet requirements. As a result, the projects have been suspended. Other options are being considered and evaluated, including in-house system upgrades or purchasing commercially available software solutions for both systems. The 2014 Capital Budget have been revised to reflect carry forward of \$6.265 million to future years, including the development of an RFP for the information gathering/needs analysis phase of the project in 2014.
- The *Workflow & Document Management Technology* project's capital expenditures are projected to be \$0.140 million or 10.0% of the 2013 approved cash flow of \$1.403 million by year end. The under-spending is due to external resourcing and sub-contractor issues on part of the vendor, including the replacement of the project manager and other key project staff. City staff are reviewing options for completion and are in discussions with the vendor to re-evaluate project deadlines and cash flow requirements for 2013 and 2014.
- The *eProcurement Implementation* project's capital expenditures are forecast to be \$0.158 million or 11.2% of the 2013 approved cash flow of \$1.411 million 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. Consequently, the project team has completed a debriefing with the vendors with the intent of re-issuing a revised RFP in 2014. As a result, approximately \$1.253 million will be carried forward to 2014.
- The *PCI Compliance* project's capital expenditures are projected to be \$0.490 million or 51% of the 2013 approved cash flow of \$0.960 million by year-end due to delays in hiring Qualified Security Assessors (QSA) who will be assessing the project's compliance with certain parameters. Although the project is anticipated to be under spent by \$0.470 million at year-end, it is on schedule to be completed by 2014 to ensure the City meets the full payment card and data security standards.

***Fleet Services'*** capital expenditures for the period ended September 30, 2013 totalled \$23.067 million or 40.7% of the 2013 Approved Capital Budget of \$56.670 million. Fleet Services' expenditures to year end are projected to be \$35.040 million or 61.8% of its 2013 Approved Capital Budget.

The program spent \$2.749 million on the following multi-year projects that are on track and will be completed in future years:

- *Park Forestry & Recreation – Fleet Replacement* project spent \$2.417 million on the replacement of vehicles, taking delivery of 46 units as of September 30, 2013. It is estimated that \$3.757 million or 77.1% of the 2013 approved cash flow will be spent

by year-end.

- *Solid Waste – Fleet Replacement* project provides for the replacement of vehicles and equipment. A total of 3 units have been delivered during the first nine months of 2013 at a cost of \$0.332 million. It is estimated that \$2.927 million or 52.1% of the 2013 approved cash flow will be spent by year-end.

The under-spending in 2013 is mainly driven by the delays in the following projects:

- The *Transportation Services Fleet Replacement* project's capital expenditures totalled \$2.342 million representing 33.3% of the 2013 approved cash flow of \$7.031 million. Project spending is lower than planned due to the delay in the procurement of the replacement vehicles pending the implementation of their operational changes. It is estimated that \$3.096 million or 44.0% of the 2013 approved cash flow will be spent by year-end.
- The *Fuel Site Closures and Upgrades* project's capital expenditures totalled \$0.411 million representing 12.9% of the 2013 approved cash flow of \$3.185 million. Projected spending is lower than planned primarily due to the delay in upgrading the 50 Booth Street Site as a result of a feasibility study that was conducted identifying that the fuel islands that were to be constructed were not meeting operational requirements. Another area in the site which meets the requirements has been identified, and a tender for construction is in process. It is estimated that \$1.669 million or 52.4% of the 2013 approved cash flow will be spent by year-end.
- The *Toronto Water Fleet Replacement* project's capital expenditures totalled \$1.667 million representing 44.2% of the 2013 approved cash flow of \$3.776 million. Project spending is lower than planned due to the changes to the expected life cycle of the vehicles resulting in deferred replacement of the units. It is estimated that \$1.921 million or 50.9% of the 2013 approved cash flow will be spent by year-end.
- The *Fire Services Fleet Replacement* project's capital expenditures totalled \$10.613 million representing 65.6% of the 2013 approved cash flow of \$16.183 million. Project spending is lower than planned due the detailed specification development required and the lengthy production time of these customized vehicles. It is estimated that \$10.996 million or 68% of the 2013 approved cash flow will be spent by year-end.

***Information and Technology's*** capital expenditures for the period ended September 30, 2013 totalled \$22.419 million or 33.5% of its 2013 Approved Capital Budget of \$66.873 million; and spending is projected to be \$40.144 million or 60.0% by year-end.

Of the funds spent, \$22.073 million was incurred for projects with phases that will be completed in 2013 including the following:

- *The Desktop Hardware & Software, Enterprise Servers, Storage & Software* projects (\$12.438 million) which include desktop hardware and software as well as enterprise, servers, storage, and software. I & T continues to upgrade the infrastructure components to maintain a state of good repair, and ensure compatibility with the operating system and all software is in line with corporate

standards, including licensing requirements. The intent is to increase client productivity by maintaining the current software infrastructure and provide a foundation for business process improvements and changes in software, as well as ensure the sustainment and enhancement of the City's businesses.

- The *WEB projects (Web Foundation and Web Content BI and Rollout)* totaling \$4.551 million involve the migration of existing public facing web content on **toronto.ca** to the new platform and refresh of the look and structure of **toronto.ca** by providing a task and service oriented approach to the web site. With completion of the *Web Foundation Project*, business and communications staff in the Divisions will be able to author and publish content, rather than requiring it be done by the Web Competency Centre. This will streamline and simplify the web content management process.
  - As a result of the *Web Content BI and Rollout Project*, the new platform will allow for faster development of new websites or changes to the existing toronto.ca website structure, as well as support the use of the same web content in many contexts. From the public's perspective, the City's website will be easier to use, allowing for easier access to information about the Services that the City and its partners provide. An integrated view of services will be provided, indicating which services are complementary to others.
- The *eCity Enterprise Architecture & eCity Planning* projects (\$1.846 million) will provide the City with a set of Business and Logical Architectures. Solutions include the *Architecture Governance for Key IT projects, City Application and Data Inventory, Work Management Business and Logical Architecture, My Toronto Portal* development, *Technology Reference Model, Portal Reference Architecture*, and *Forms Management Architecture and Development*.
- The *Disaster Recovery Plan* project (\$2.375 million) has begun the business impact analyses within the City for its Business Continuity (BC) and Disaster Recovery (DR) plans. I & T has conducted several Business Impact Assessments for Divisions including: Internal Audit, Toronto Public Health, Toronto Fire Services, Courts, Toronto Water, Human Resources, Fleet, Office of Emergency Management and Purchasing and Materials Management Division.
- The *e-Human Resource Strategy project* (\$0.863 million) for Talent Flow is proceeding with the customization and reports development. Development and quality assurance environments have been created on vendor and City servers.

The under-spending in 2013 is mainly driven by delays in the following projects:

- The *Toronto Animal Services eProject*: Due to the challenge in recruiting qualified resources, focus in 2013 has been on enabling field officers with mobile devices and wireless technology to update their business system remotely through wireless connectivity into shelters and a revamp of ePet to leverage the City's corporate eDonation solution. The project is being re-scoped and business needs will be reviewed for 2014. As a result, only \$0.215 million or 23.9% of the approved 2013 cash flow will be spent by year-end.

- *Toronto Building Electronic Service Delivery:* It is estimated that expenditures totalling \$0.929 million or 40.6% of the approved 2013 cash flow of \$2.361 million will be spent by year-end. The variance is due to delays in filling vacancies and executing the portal assessment contract.
- *The Integrated Telecom Infrastructure Project:* It is estimated that expenditures totalling \$1.543 million or 24.5% of the 2013 approved cash flow of \$6.288 million will be spent by year-end. The low spending rate is due to vendor's inability to meet the required deliverables to trigger pilot acceptance. Based on experience with the vendor, the forecast for completion has been revised to mid 2014. The amount of the commitment will continue to increase but payment will not be processed until the vendor has fulfilled the requirements.
- *The Consolidated Data Centre Project:* Projected year-end expenditures total \$0.425 million or 7.4% of the approved 2013 cash flow of \$5.710 million. The focus in 2013 and 2014 will be on a detailed study to determine the potential for IT Shared Services and co-location between the City and its agencies. The City will not be proceeding with the construction of a new data centre until the results of the study are finalized.
- *Capital Resource Requirements:* I&T is not forecasting any expenditures due to a delay in posting positions. Projected under-spending at year-end is \$3.0 million.

## Other City Programs

For the nine months ended September 30, 2013, capital expenditures for Other City Programs totalled \$33.984 million or 40.2% of their collective 2013 Approved Capital Budget of \$84.637 million. Spending is expected to increase to \$52.498 million or 62% by year-end.

<b>Other City Programs</b>				
Q3 2013 Capital Variance (\$ Million)				
	<b>Actual to September 30, 2013</b>		<b>Projected 2013 Year-End Spending</b>	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
City Clerk's Office	(3.5)	38.5	(1.2)	79.2
Sustainable Energy Plan	(26.5)	6.8	(18.7)	34.2
Radio Replacement Project	(13.9)	39.8	(8.1)	65.1
PanAm Games	(6.8)	75.3	(4.2)	84.7
<b>Sub-Total</b>	<b>(50.7)</b>	<b>40.2</b>	<b>(27.9)</b>	<b>62.0</b>

The *City Clerk's Office* spent \$2.193 million or 38.5% of the 2013 Approved Capital Budget of \$5.694 million for the period ended September 30, 2013; and projects spending of \$4.511 million or 79.2% by year-end.

The Program spent \$2.017 million (and expects to spend 4.282 million by year-end) on projects that are considered on track. These are on-going projects and include the following:

- The *Toronto Elections Information System (TEIS)* project's capital expenditures totalled \$1.188 million (expects to spend \$2.398 million by year end) and the *Toronto Meeting Management Information System (TMMIS)* project capital expenditures totalled \$0.201 million (expects to spend \$0.281 million by year end).

The rate of spending at the end of the third quarter of 2013 and projected under spending at year end is attributed to the following:

- The *Enterprise Document and Record Management Solution (EDRMS)* project's capital expenditures totaled \$0.208 million representing 19.4% of the 2013 approved cash flow of \$1.072 million during the nine months ended September 30, 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 \$0.516 million or 48.2% 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 have significantly delayed the project implementation. The vendor has since adjusted its resource allocation and work has resumed. Project completion has now moved to September 2014.

The *Constituency Management System* project's capital expenditures totaled \$0.008 million representing 3.4% of the 2013 approved cash flow of \$0.230 million during the nine months ended September 30, 2013. The year to date under spending is a result of challenges in hiring project resources. It is estimated that \$0.118 million or 51.1% of the 2013 approved cash flow will be spent by year-end.

**The Sustainable Energy Plan (SEP)** incurred expenditures of \$1.915 million or 6.8% of the 2013 Approved Capital Budget of \$28.368 million for the period ended September 30, 2013; and projects spending of \$9.693 million or 34.2% by year-end.

The Program spent \$0.1.915 million on multi-phase projects that are underway and will be completed on schedule in future years including:

- The *Solar Photo-Voltaic Program* (\$0.771 million) which will provide City of Toronto facilities with solar panels that will generate approximately 2,600 MWh of electricity annually resulting in the estimated reduction of 480 tonnes of greenhouse gas emissions per year. Recent changes to the Feed in Tariff program have adjusted the Solar Photo-Voltaic Program by allocating \$0.400 million to 6 small solar installations in 2014. Project completion is expected in late 2014.

The under-spending in 2013 is mainly driven by the following projects:

- The *Toronto Energy Conservation Fund (TECF)* project's capital expenditures totalled \$0.565 million or 14.1% of the 2013 approved cash flow of \$3.993 million during the nine month period ended September 30, 2013. It is estimated that \$2.993 million or 75.0% of the 2013 approved cash flow will be disbursed for facility upgrades to Toronto Community Housing Corporation (TCHC) sites. In addition, \$0.435 million or 12.7% of the remaining 2013 approved cash flow will be disbursed for the completion of energy upgrades at various Parks, Forestry and Recreation facility locations.
- The *Toronto Green Energy Fund (TGEF)* project had no capital expenditures during the nine month period ended September 30, 2013. It is estimated that \$2.995 million or 100% of the 2013 approved cash flow will be disbursed for facility upgrades to Toronto Community Housing Corporation (TCHC) sites.
- The *Demand Response Program* had no capital expenditures during the nine month period ended September 30, 2013. The project continues to experience delays in finalizing agreements with clients and landlords, with the majority of projects aligned with the Toronto Community Housing Corporation (TCHC) being postponed.

The **Radio Communication System Replacement** project's capital expenditures totalled \$9.177 million or 39.8 % of its 2013 Approved Capital Budget of \$23.086 million for the period ended September 30, 2013; and spending is projected to be \$15.022 million or 65.1% by year-end.

Spending for the balance of the year will focus on the facility and civil works to prepare the communication centres and radio sites for equipment installation. It is expected that approximately 60% of facility and civil work costs will occur by the end of 2013 and the balance in the first half of 2014.

The *Pan American Games* project had expenditures of \$20.699 million or 75.3% of its 2013 approved cash flow of \$27.489 million during the period ending September 30, 2013; and spending is projected to be \$23.273 million or 84.7% by year-end.

Capital expenditures for projects delivered through the Toronto Organizing Committee for the Pan/Parapan American Games (TO 2015) and Infrastructure Ontario totalled \$20.592 million or 89.5% of the 2013 approved cash flow of \$23.008 million. These projects are on schedule and it is anticipated that the entire approved cash flow of \$23.008 million will be spent by year-end.

The year to date spending rate and projected year-end under spending is largely attributable to:

- The *Resurfacing of Cycling Course* project which had no capital expenditures during the period ending September 30, 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.
- The *Site Remediation* project's capital expenditures which totalled \$0.107 million or 2.7% of the 2013 approved cash flow of \$3.900 million during the period ending September 30, 2013. The process for obtaining a Certificates of Property Use (CPU) and Environmental Compliance Approvals (ECA) from the Ministry of the Environment (MOE) is taking longer than anticipated as the agreement with the MOE includes the addition of a two-year post site-remediation monitoring period, but is projected to be completed in 2014. It is estimated that \$0.265 million or 6.8% of the 2013 approved cash flow will be spent by year-end.

## City Agencies

During the nine months ended September 30, 2013, capital expenditures for City Agencies totalled \$611.123 million or 30.3% of their collective 2013 Approved Capital Budget of \$2.014 billion. Spending is expected to increase to \$1.426 billion or 70.8% by year-end. As shown in the table below, majority of Agencies forecast capital expenditures to be in excess of 80% of their 2013 Approved Capital Budget by year-end.

<b>Agencies</b>				
Q3 2013 Capital Variance (\$ Million)				
	<b>Actual to September 30, 2013</b>		<b>Projected 2013 Year-End Spending</b>	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
Exhibition Place	(7.8)	22.6	0.0	100.0
Go Transit	0.0	100.0	0.0	100.0
Toronto And Region Conservation Authority	(2.9)	68.7	0.0	100.0
Toronto Police Service	(44.1)	35.7	(14.0)	79.5
Toronto Public Health	(2.7)	58.6	(1.0)	85.3
Toronto Public Library	(19.9)	49.3	(3.3)	91.7
Toronto Transit Commission	(1,322.1)	28.6	(569.0)	69.3
Toronto Zoo	(3.4)	55.9	(0.9)	88.4
<b>Sub-Total</b>	<b>(1,402.8)</b>	<b>30.3</b>	<b>(588.1)</b>	<b>70.8</b>

*Exhibition Place* incurred expenditures of \$2.275 million or 22.6% of its 2013 Approved Capital Budget of \$10.076 million for the period ended September 30, 2013; and spending is projected to reach \$10.076 million or 100% of its 2013 Approved Capital Budget by year-end.

The Program spent \$2.275 million as of the end of the third quarter on the following projects that are on track:

- The *Better Living Centre* project's capital expenditures totalled \$0.028 million representing 100% of the 2013 approved cash flow of \$0.028 million during the nine months ended September 30, 2013. The project was completed. The project provided state-of-good-repair work on the building, including interior lead capsulation, as well as replacement of transformers and lighting fixtures;
- The *BMO Field* project's capital expenditures totalled \$0.325 million representing 54.8% of the 2013 approved cash flow of \$0.594 million during the nine months ended September 30, 2013. It is estimated that \$0.594 million or 100% of the 2013 approved cash flow will be spent by year-end. This project provided various equipment upgrades to the POS inventory management system, accounting software, food and beverage fixtures, and some building repairs and upgrades. Further building repairs and upgrades are scheduled to be completed by year-end;
- The *Equipment* project's capital expenditures totalled \$0.496 million representing 33.2% of the 2013 approved cash flow of \$1.495 million during the nine months ended September 30, 2013. It is estimated that \$1.495 million or 100% of the 2013 approved cash flow will be spent by year-end. This project provided the funding for

automation systems, replacing fibre optic cable, various electrical infrastructure and PBX for shows, and building waste management systems;

- The *Parking Lots and Roads* project's capital expenditures totalled \$0.145 million or 9.4% of the 2013 approved cash flow of \$1.547 million during the nine months ended September 30, 2013. It is estimated that \$1.547 million or 100% of the 2013 approved cash flow will be spent by year-end. This project provided funding for work on sidewalks, pathways, roads and parking lots;
- The *Pre-Engineering Program* project's capital expenditures totalled \$0.050 million or 33.3% of the 2013 approved cash flow of \$0.149 million during the nine months ended September 30, 2013. It is estimated that \$0.149 million or 100% of the 2013 approved cash flow will be spent by year-end.
- The *Grounds Security Surveillance* project's capital expenditures totalled \$0.035 million or 35.4% of the 2013 approved cash flow of \$0.099 million during the nine months ended September 30, 2013. It is estimated that \$0.099 million or 100% of the 2013 approved cash flow will be spent by year-end.
- The *Fire Protection System Code Retrofit* project's capital expenditures totalled \$0.066 million or 65.6% of the 2013 approved cash flow of \$0.100 million during the nine months ended September 30, 2013. It is estimated that \$0.100 million or 100% of the 2013 approved cash flow will be spent by year-end.
- The *Queen Elizabeth Building Executive Offices Roof Replacement* project's capital expenditures totalled \$0.042 million or 13.8% of the 2013 approved cash flow of \$0.300 million during the nine months ended September 30, 2013. It is estimated that \$0.300 million or 100% of the 2013 approved cash flow will be spent by year-end.
- The *Direct Energy Centre* project's capital expenditures totalled \$1.071 million or 32.8% of the 2013 approved cash flow of \$3.264 million during the nine months ended September 30, 2013. It is estimated that \$3.264 million or 100% of the 2013 approved cash flow will be spent by year-end. The expenditures incurred as of September 30, 2013 are mainly related to washroom renovations; and
- The *District Energy System* project's capital expenditures totalled \$0.018 million or 0.7% of the 2013 approved cash flow of \$2.500 million during the nine months ended September 30, 2013. It is estimated that \$2.500 million or 100% of the 2013 approved cash flow will be spent by year-end. This project will connect existing energy generation assets at Exhibition Place and supply heating, cooling and water heating to the proposed hotel development as well as to existing event facilities including the Ricoh Coliseum, coliseum Complex, Direct Energy Centre, and Allstream Centre.

**Toronto and Region Conservation Authority (TRCA)** received \$6.285 million or 68.7% of its 2013 Approved Capital Budget of \$9.147 million from the City of Toronto during the nine months ended September 30, 2013.

All projects are on track and TRCA anticipates that the 2013 Approved Budget will be fully spent by year-end

**Toronto Police Service** spent \$24.463 million or 35.7% of its 2013 Approved Capital Budget of \$68.546 million for the period ended September 30, 2013; and spending is projected to be \$54.514 million or 79.5% by year-end.

Of the funds spent, \$4.915 million was incurred for such projects as *14 Division, Vehicle Replacement, AVLS Replacement* and *Network Equipment*. These projects are on track and are anticipated to be completed by year-end.

The year-to-date spending rate and projected year-end under spending is largely attributable to a number of projects such as *Small Equipment Replacement and Workstation, Laptop and Printer Lifecycle Replacement* that fall under the *Vehicle & Equipment Lifecycle Replacement* category. Total expenditures for these projects are \$14.287 million representing 20.8% of the 2013 approved cash flow of \$35.409 million during the nine months ended September 30, 2013.

- The projected year-end spending of \$27.126 million or 76.6% for these projects is lower than planned due to the deferral of expenditures from 2013 to 2014 in order to address the \$5 million reduction to reserve contributions made by the Board when approving the Service's 2013 Operating Budget. Where possible, expenditure deferrals have been identified for the workstations, laptops, printers and small equipment replacement projects.

\$7.886 million of the 2013 approved cash flow will be carried forward into 2014 and includes \$1.500 million for the *State of Good Repair* project, \$1.415 million to complete the *Property and Evidence Management Facility* project and \$1.158 million for *Parking East* capital project.

**Toronto Public Health's (TPH)** capital expenditures for the period ended September 30, 2013 totalled \$3.819 million or 58.6% of the 2013 Approved Capital Budget of \$6.522 million; spending is projected to be \$5.566 million or 85.3% by year end.

The following projects are on track, and are projected to be fully spent by year-end:

- The *Healthy Environment Inspection System* project's capital expenditures totalled \$0.125 million representing 100% of the 2013 approved cash flow of \$0.125 million.

- The *TPH Datamart Data Warehouse- Phase 1* project's capital expenditures totalled \$0.491 million representing 55.6% of the 2013 approved cash flow of \$0.883 million. The project is on schedule and will be fully spent by year-end.

The projected under-spending is mainly attributed to delays in the following projects/sub-projects:

- The *HF/HL System Integration* project's capital expenditures totaled \$1.505 million representing 60.2% of the 2013 approved cash flow of \$2.499 million for the nine months ended September 30, 2013. Integration between the Provincial ISCIS application and TPH TCHIS application has been deferred by the Province until 2014 which necessitates the deferral of hiring of staff until 2014 to complete this integration and associated records retention functionality. It is estimated that \$2.141 million or 85.7% of the approved 2013 cash flow will be spent by year-end. The unspent funds of \$0.358 million will be carried forward in to 2014.
- The *Web re:Brand TPH Implementation* project's capital expenditures totaled \$0.296 million representing 47.1% of the 2013 approved cash flow of \$0.629 million for the nine months ended September 30, 2013. The first stage of the migration plan developed with the corporate Web Revitalization project has been completed. Due to delays in corporate procurement of PDF document conversion contracted services, it is estimated that \$0.602 million or 95.8% of the approved 2013 cash flow will be spent by year-end. The unspent funds of \$0.026 million will be carried forward in to 2014.
- The *Infectious Disease Control Information System* project's capital expenditures totaled \$0.934 million representing 69.6% of the 2013 approved cash flow of \$1.343 million for the nine months ended September 30, 2013. The Infectious Disease Control Information System is a multi-phase project that is 100% Provincially funded to develop pan-Canadian Panorama system requirements and design to ensure that the system satisfies TPH specific requirements concerning infectious disease control. This project is forecasted to spend \$1.136 million or 84.6% of its 2013 cash flow of \$1.343 million. Projected under expenditure at year end totalling \$0.207 million is due to reduction in Provincial funding.
- The *HF/HL Point of Care* project's capital expenditures totalled \$0.468 million representing 44.9% of the 2013 approved cash flow of \$1.043 million for the nine months ended September 30, 2013. Due to delays in establishing enterprise Mobile Device Management infrastructure to support current generation of mobile devices and in the corporate upgrade of Oracle software, it is estimated that \$0.678 million or 65% of the approved 2013 cash flow will be spent by year-end. The unspent funds of \$0.365 million will be carried forward in to 2014..

*Toronto Public Library's (TPL)* capital expenditures for the period ended September 30, 2013 totalled \$19.310 million or 49.3% of the 2013 Approved Capital Budget of \$39.198 million; spending is projected to be \$36.045 million or 92.0% by year-end.

The following projects are on track, and the 2013 cash flow will be fully spent by year end:

- The *Scarborough Civic Centre Neighbourhood Construction* project's capital expenditure totalled \$1.467 million representing 47.3% of the 2013 approved cash flow of \$3.100 million. This project is on schedule and will be fully spent by year-end.
- The *Fort York Neighbourhood Construction* project's capital expenditure totalled \$3.386 million representing 87.8% of the 2013 approved cash flow of \$3.858 million. This project is on schedule and the cash flow will be fully spent by year-end.
- The *Toronto Reference Library* project's capital expenditure totalled \$4.821 million representing 59.3% of the 2013 approved cash flow of \$8.125 million during the nine months ended September 30, 2013. This project is on schedule and the projected expenditures by year-end are expected to be \$8.875 million or \$0.750 million over the 2013 approved cash flow of \$8.125 million. Budget Committee at its meeting of October 2, 2013, adopted (BU44.7), a report dated July 4, 2013 from the City Librarian, entitled "Toronto Public Library Capital Budget Adjustments" and recommended a budget reallocation from the Virtual Branch Services project of \$0.750 million to the Toronto Reference Library Renovation project to offset over spending in this project.

The projected under-spending is mainly attributed to delays in the following projects/sub-projects:

- The *Library Processing Centre Relocation* project's capital expenditures totalled \$2.035 million representing 33.9 % of the 2013 approved cash flow of \$6.000 million. Delays in obtaining site plan and building permit approval delayed the start of construction. It is estimated that \$3.000 million or 50% of the 2013 approved cash flow will be spent by year-end. The unspent funds of \$3.000 million will be carried forward to 2014.
- The Albion Library Renovation project's capital expenditures totalled \$0.029 million representing 11.1% of the 2013 approved cash flow of \$0.263 million. The delays were related to the consultation and design process, which is underway. It is estimated that \$0.110 million or 41.8% of the 2013 approved cash flow will be spent by year-end. The unspent funds of \$0.153 million will be carried forward to 2014.
- The *Fairview Library Renovation* project's capital expenditures totalled \$3.178 million representing \$0.718 million or 129.2% over the 2013 approved cash flow of \$2.461 million. The project is ahead of schedule and the over expenditure will be offset by under-spending in two projects in 2013: Technology Asset Management Program 2011-2014 (\$0.359 million gross and debt), Multi-Branch Renovation Program 2012-2014 (\$0.359 million gross and debt). An in-year adjustment to reallocate funding between the Technology Asset Management Program 2011-2014

and the Multi-Branch Renovation Program 2012-2014 to accommodate over-spending for the Fairview Library Renovation project is included with this report.

**Toronto Transit Commission (TTC)** capital expenditures for the period ended August 31, 2013 totalled \$530.701 million or 28.6% of the 2013 Approved Capital Budget of \$1.853 billion (including the Toronto-York Spadina Subway Extension). Spending is projected to be \$1.284 billion or 69.3% by year-end.

The following multi phase projects are on track and will be completed in future years:

- The *Easier Access* project's capital expenditures totalled \$9.4 million representing 55.4% of the 2013 approved cash flow of \$16.9 million during the eight months ended August 31, 2013. It is estimated that \$14.8 million or 87.4% of the 2013 approved cash flow will be spent by year-end. This project includes constructing and enhancing accessibility features to make the TTC fully accessible by 2025. In 2013, continued progress will be made on the Pape and Dufferin Station elevators. Anticipated under spending at year-end is a result of delays due to property and utility issues at certain stations.
- The *Fire Ventilation Upgrade* project's capital expenditures totalled \$15.4 million representing 52.4% of the 2013 approved cash flow of \$29.4 million during the eight months ended August 31, 2013. Project spending is lower than planned in the third quarter of 2013 and it is estimated that \$28.2 million or 95.9% of the 2013 approved cash flow will be spent by year-end. This project provides for the upgrade of the subway ventilation system and construction of second exits at subway stations. In 2013, significant progress is being made on the second exit program at Wellesley, Castle Frank and Dundas West Stations. Slight under spending is anticipated at year-end however this project is on track.
- The *Toronto Rocket Yard and Storage Track Accommodation* project's capital expenditures totalled \$12.4 million representing 38.9% of the 2013 approved cash flow of \$31.8 million during the eight months ended August 31, 2013. Project spending is lower than planned during this period and it is estimated that \$19.6 million or 61.7% of the 2013 approved cash flow will be spent by year-end. This project includes the design and construction of various subway vehicle facilities and yards to ensure proper delivery, maintenance and storage of the new fixed six-car Toronto Rocket subway trains. In 2013, significant progress is being made at Wilson Yard and Davisville Yard. Anticipated under spending at year-end is a result of delays and slippage related to design refinement.
- The *Automatic Train Control (ATC) Resignalling* project's capital expenditures totalled \$22.7 million representing 33.5% of the 2013 approved cash flow of \$67.9 million during the eight months ended August 31, 2013. Project spending is lower than planned in this period and it is estimated that \$63.5 million or 93.5% of the 2013 approved cash flow will be spent by year-end. This project includes the upgrade of antiquated signaling systems on the Yonge-University-Spadina and Bloor-Danforth subway lines to automatic train control signaling in order to increase capacity and improve safety. In 2013, continued progress is being made on the Union interlocking

installation and fitting ATC equipment to the new Toronto Rockets trains. Slight under spending is anticipated at year-end however this project is on track.

The rate of spending for the 8-month period ending August 31, 2013 reflects delays in the following projects:

- The *Replacement of Buses* project's capital expenditures totalled \$1.2 million representing 4.4% of the 2013 approved cash flow of \$27.7 million during the eight months ended August 31, 2013. Project spending is lower than planned in this reporting period and it is estimated that \$11.2 million or 40.3% of the 2013 approved cash flow will be spent by year-end. Anticipated under spending at year-end is a result of a deferral of the delivery of 16 articulated buses to 2014 due to a change in the manufacturer's schedule.
- The *Leslie Barns LRT Maintenance and Storage Facility* project's capital expenditures totalled \$37.8 million representing 25.7% of the 2013 approved cash flow of \$146.9 million during the eight months ended August 31, 2013. Project spending is lower than planned during this period and it is estimated that \$83.8 million or 57.0% of the 2013 approved cash flow will be spent by year-end. Anticipated under spending at year-end is a result of project delays experienced by contractors for work such as the relocation of utility cables.
- The *Toronto-York Spadina Subway Extension* project's capital expenditures totalled \$230.5 million representing 27.4% of the 2013 approved cash flow of \$842.7 million during the eight months ended August 31, 2013. Project spending is lower than planned in this reporting period and it is estimated that \$455.5 million or 54.1% 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** incurred expenditures of \$4.268 million or 55.9% of its 2013 Approved Capital Budget of \$7.636 million for the period ended September 30, 2013; and spending is projected to reach \$6.752 million or 88.4% of its 2013 Approved Capital Budget by year-end.

The Program spent \$4.268 million as of the end of the third quarter on the following projects that are on track:

- The *Exhibit Refurbishment* project's capital expenditures totalled \$0.502 million, representing 100% of the 2013 approved cash flow of \$0.502 million during the nine months ended September 30, 2013. The project was completed;
- The *Electrical, Mechanical, Buildings & Roofs* project's capital expenditures totalled \$0.663 million representing 42% of the 2013 approved cash flow of \$1.578 million during the nine months ended September 30, 2013. It is estimated that \$1.578 million or 100% of the 2013 approved cash flow will be spent by year-end. The Africa Restaurant Roof and Skylight replacement sub-project was completed in June 30,

2013, and the High Voltage Equipment/Cable Replacement sub-project is expected to be completed by December 31, 2013;

- The *North Zoo Site – Eurasia* project's capital expenditures totalled \$2.402 million representing 80.6% of the 2013 approved cash flow of \$2.982 million during the nine months ended September 30, 2013. It is estimated that \$2.847 million or 95.5% of the 2013 approved cash flow will be spent by year-end. Construction is expected to be completed by March 30, 2014;
- The *Grounds & Visitor Improvements* project's capital expenditures totalled \$0.688 million representing 100% of the 2013 approved cash flow of \$0.688 million during the nine months ended September 30, 2013. The project was completed; and
- The *Information Systems* project's capital expenditures totalled \$0.013 million representing 3.8% of the 2013 approved cash flow of \$0.338 million during the nine months ended September 30, 2013. It is estimated that \$0.338 million or 100% of the 2013 approved cash flow will be spent by year-end. The Uninterrupted Power Supply Refresh, Server Refresh and Tape Library System Replacement are underway with expected completion by December 31, 2013.

The under-spending for the third quarter of 2013 is mainly driven by delays in the following projects:

- The *Giraffe House Transition (Old Elephant House)* project did not incur any capital expenditures against the 2013 approved cash flow of \$1.049 million during the nine months ended September 30, 2013. It is estimated that \$0.799 million or 76.2% of the 2013 approved cash flow will be spent by year-end. The conversion of the Elephant House into a Giraffe House has been impacted by the timing of the relocation of the elephants; and
- The *Giraffe House Transition (New Hoofstock)* project did not incur any expenditures of the 2013 approved cash flow of \$0.500 million during the nine months ended September 30, 2013. There is no capital spending projected to be incurred by year-end. Construction of the New Hoofstock house has been suspended pending relocation of the giraffes and it is expected to be completed by December 31, 2014.

## Rate Supported Programs

For the nine months ended September 30, 2013, Rate Supported Programs' capital expenditures totalled \$291.116 million or 35.2% of their collective 2013 Approved Capital Budget of \$827.158 million. Spending is expected to increase to \$536.042 million or 64.8% by year-end.

<b>Rate Supported Programs</b>				
Q3 2013 Capital Variance				
(\$ Million)				
	<b>Actual to September 30, 2013</b>		<b>Projected 2013 Year-End Spending</b>	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
Toronto Parking Authority	(39.1)	22.7	(26.9)	46.8
Solid Waste Management Services	(81.1)	20.4	(55.9)	45.1
Toronto Water	(415.9)	38.4	(189.3)	71.9
<b>Sub-Total</b>	<b>(536.0)</b>	<b>35.2</b>	<b>(272.0)</b>	<b>64.8</b>

**Toronto Parking Authority's (TPA)** capital expenditures for the period ended September 30, 2013, totaled \$11.475 million or 22.7% of the 2013 Approved Capital Budget of \$50.562 million. The year-end spending is projected to be \$23.676 million or 46.8% of the 2013 Approved Capital Budget.

- Approximately \$10.407 million was spent on projects that are anticipated to be on schedule, mostly state of good repair projects which include structural maintenance and technical upgrades at various carparks. This spending represents 35% of the 2013 approved cashflow for these projects of \$29.649 million. The rate of spending reflects the fact that state of good repair projects tend to start later in the spring when weather conditions are more favorable. The projected year-end spending to complete these projects is \$21.966 million or 74% of the 2013 approved cashflow.

The year to date spending rate and projected year-end under spending is largely attributable to:

- Delays in completing required studies and site assessments for some of the already identified sites, as well as delays in implementing joint venture projects arising from the unavailability of appropriate sites for off-street parking facilities and on-going negotiations for identified sites. Several projects which incurred spending of \$1.067 million or 5% of the 2013 approved cashflow for these projects of \$20.913 million, with an estimated year-end spending of \$1.710 million or 8% of the 2013 approved cashflow will be delayed to future years including:
  - *Redevelopment of Carpark 217*- \$10.9 million deferred to 2016
  - *Dundas/Dovercourt Carpark* - \$3.0 million deferred to 2015.

**Solid Waste Management Services' (SWMS)** capital expenditures for the 9 months ending September 30, 2013 totaled \$20.766 million or 20.4% of the 2013 Approved Capital Budget of \$101.787 million. As of the 3<sup>rd</sup> quarter 2013, it is projected that \$45.970 million or 45.2% of the 2013 Approved Capital Budget will be spent by year-end.

The Program is responsible for the implementation of projects for waste, recycling and source separated organics (SSO) facilities, perpetual care of closed landfills, projects at transfer stations and collection yards and the on-going development and operation of the Green Lane Landfill.

Of the funds spent by the end of the third quarter, \$18.033 million was spent on projects that are generally on track for planned completion including:

- The *Transfer Station Asset Management program* had spending of \$1.488 million representing 16% of its 2013 approved cash flow of \$9.465 million. Spending occurred for various state of good repair projects such as roofing, facility cladding, sprinkler systems and repairs to tipping floors. Spending is projected to be \$5.577 million by year-end or 60%.
- The *Perpetual Care Of Landfills* project incurred capital expenditures of \$3.247 million representing 50% of its 2013 approved cash flow of \$6.430 million. This ongoing multi-year project encompasses a variety of works considered necessary for the ongoing maintenance of closed environmentally sound landfill sites after primary operations have ended. These works include monitoring, consulting and possible remedial measures related to surface water, ground water, landfill gas and ambient air, maintenance of existing leachate and gas control systems. Spending is projected to be \$4.691 million or 73% by year-end.
- The *Disco SSO Processing Facility* project's expenditures totalled \$10.884 million or 61% of the 2013 approved cash flow of \$17.985 million. This project has experienced design, award and wet weather delays. Dry commissioning started in spring 2013 with wet commissioning in late spring 2013, ramp-up of SSO processing will be in mid-August 2013 with project completion expected in January 2014. Spending is projected to be \$16.042 million or 89% by year-end.
- The Diversion Systems projects for the *RFID/GPS System* for waste containers and for the *Replacement Waste Bins -Single Family* are expected to be complete by year-end. The project for RFID/GPS System had spending of \$0.136 million or 32% of the 2013 approved cash flow of \$0.423 million. Spending is projected to be 100% spent or \$0.339 million by year-end. The project for Replacement Waste Bins had spending of \$1.776 million or 60% of the 2013 approved cash flow of \$1.115 million. Spending is projected to be \$2.986 million or 100% by year-end.

Of the funds spent by the end of the third quarter, \$2.733 million was spent on projects that are experiencing delays including:

- The *Green Lane Landfill Development* project will be under-spent by \$12.460 million. The project's expenditures total \$2.163 million or 9.5% of the 2013 approved cash flow of \$22.732 million as of the 3<sup>rd</sup> quarter 2013. It is estimated that \$10.272 million or 45% of the 2013 approved cash flow will be spent by year-end. Capital activities for leachate control, gas control, cell construction and ancillary facilities are delayed due to late design revisions, change order processing and subsequent delayed implementation.

- The *Green Lane Landfill Gas Utilization* project will be under-spent by \$9.880 million. The project for \$10 million had no spending as of September 30<sup>th</sup>, 2013 and is being rescheduled awaiting the completion of consultant studies in early 2014. The RFP for the construction tender is scheduled for 2015; actual facility construction will be delayed to 2016. Spending is projected to be \$0.120 million or 1.2% by year-end.
- The *Construction of Biogas Utilization Infrastructure* project at Disco and Dufferin SSO Facilities will be under-spent by \$6.881 million. The project's expenditures total \$0.004 million or 0.05% of the 2013 approved cash flow of \$7 million as of the 3<sup>rd</sup> quarter 2013. The 2013 approved cash flow is estimated to be 1.7% or \$0.119 million spent by year-end. The engineering study is scheduled for completion in early 2014 with the RFP for construction tender scheduled for 2014 so that actual facility construction will be delayed for the *Disco* and *Dufferin* facilities to 2016.
- The *Reuse Centre Future Sites* project will be under-spent by \$2.643 million. The project's expenditures total \$0.022 million or 0.8% of the 2013 approved cash flow of \$2.665 million as of the 3<sup>rd</sup> quarter 2013. It is estimated there will be no further spending by year-end. Construction at the Commissioners Street HHW/Public Drop off depot has been cancelled due to project re-evaluation.
- The *Dufferin Single Stream Recycling Facility* project will be under-spent by \$1.866 million. The project's expenditures total \$0.411 million or 16.3% of the 2013 approved cash flow of \$2.523 million as of the 3<sup>rd</sup> quarter 2013. It is estimated that \$0.657 million or 26% of the 2013 approved cash flow will be spent by year-end. Capital activities at the facility initially encountered unanticipated delays as close coordination with the operating contractor was required to meet contractual obligations concerning minimum processing tonnage targets and to avoid shutting down the facility for capital work. It has since been determined that the Dufferin Facility operating contract not be renewed and a study is underway to determine alternate uses for the facility. Spending to year-end is mainly for trailer rental for staff that was displaced due to poor indoor air quality as a result of an elevated mould spore level at the site.
- The *Dufferin SSO Processing Facility* project will be under-spent by \$1.382 million. The project's capital expenditures were \$0.030 million representing 1.4% of the 2013 approved cash flow of \$2.085 million as of September 30<sup>th</sup>, 2013. It is estimated that \$0.703 million or 33.7% of the 2013 approved cash flow will be spent by year-end to complete engineering studies and preliminary design.

**Toronto Water's** capital expenditures for the nine months ended September 30, 2013 totaled \$258.875 million or 38.4% of its 2013 Approved Capital Budget of \$674.775 million. The projected year-end spending is \$485.488 million or 71.9% of the 2013 Approved Capital Budget.

The above funds were spent for multi-phase projects that are underway and will be completed in future years such as:

- *Rehabilitation and Replacement of Linear Infrastructure for Water and Sewers projects* (\$55.640 million or 35% of the 2013 Approved Capital Budget of \$158.926 million).

- *Transmission Watermains* (\$18.035 million or 51.5% of the 2013 Approved Capital Budget of \$34.997 million).
- *Automated Meter Replacement (AMR) Program* (\$37.070 million or 85.9% of the 2013 Approved Capital Budget of \$43.165 million).
- Upgrade to equipment at the *R.L. Clark Treatment Plant* (\$7.907 million or 67.4% of the 2013 Approved Capital Budget of \$11.723 million).
- Rehabilitation of the sludge thickening and dewatering building at *Highland Creek Treatment Plant* (\$16.357 million or 43.9% of the 2013 Approved Capital Budget of \$37.301 million)
- Upgrade of dewatering equipment and the emission air treatment process and rebuilding of the primary and final tanks at *Ashbridges Bay Treatment Plant*. (\$24.448 million or 26.9% of the 2013 Approved Capital Budget of \$90.965 million).
- *Wet Weather Flow Master Plan* (\$10.252 million or 40.0% of the 2013 Approved Capital Budget of \$25.650 million).
- The lower than expected year-to-date spending rate was driven by the complexity of the engineering and design of the linear infrastructure which led to delayed tendering and awarding of the associated contracts. In addition to this, tenders for standalone water main projects were delayed pending the finalization of crossing agreements with Metrolinx. Other contributing factors include the prevailing ground/site conditions as a result of the persistent wet weather or assessment results.
- In 2013, significant progress will continue to be made on state of good projects to address infrastructure renewal such as Watermain and Sewer Rehabilitation and improvements to Yards and Facilities; Water Storage Treatment & Treatment; and implementation of the Wet Weather Flow Master Plan. These projects are expected to meet or exceed the targeted spend rate of 85%.

The forecasted year-end under-spending in 2013 relates to the following projects, due to extended design periods to ensure that the quality in design is achieved to address issues raised through the design review process or unforeseen site conditions. The persistent wet weather condition this spring has resulted in lower construction days. Major projects include:

- *Ashbridges Bay Treatment Plant* (\$41.925 million or 46% of the 2013 Approved Capital Budget of \$90.965 million). A portion of this under spending (\$6.39 million) relates to the cancellation of the stack replacement due to favourable assessment conditions.
- *Trunk Sewer & Pumping Station Rehabilitation* (\$14.585 million or 59% of the 2013 Approved Capital Budget of \$24.901 million).
- *Watermain Replacement* (\$35.773 million or 67% of the 2013 Approved Capital Budget of \$53.286 million)
- *Highland Creek Treatment Plant* (\$25.864 million or 69% of the 2013 Approved Capital Budget of \$37.301 million)

- The *Basement Flooding* project is projected to have spending of \$48.204 million or 64% of the 2013 Approved Capital Budget of \$74.516 million. Environmental assessments have taken longer than originally planned due to the extended time for infrastructure assessments and in order to ensure that all public concerns are heard. In addition to this, Toronto Water is unable to proceed with some basement flooding relief projects as the preliminary designs indicate that the cost to each benefiting property will exceed the current threshold of \$32,000 as set by City Council. For those projects that have met the criteria and have proceeded, contracted pricing has been lower than expected. Unspent funds have been re-directed to advance the design phase of the remaining planned basement flooding relief projects.