Appendix 4

Capital Variance Report
for the Five Months Ended May 31, 2014

Significant Variance Explanation

Citizen Centred Services "A"

For the five months ended May 31, 2014, capital expenditures for this Cluster totalled $30.055 million or 10.5% of their collective 2014 Approved Capital Budget of $285.236 million. Spending is expected to increase to $208.591 million or 73.1% by year-end.

Citizen Centred Services "A" Five Months 2014 Capital Variance ($ Million)				
	Actual to May 31, 2014		Projected 2014 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
Children's Services	(5.8)	13.2	(1.4)	78.7
Court Services	(0.3)	20.6	(0.1)	60.1
Economic Development & Culture	(34.6)	9.9	(9.3)	75.9
Emergency Medical Services	(4.7)	3.7	(2.2)	55.0
Long-Term Care Homes & Services	(27.7)	18.8	0.0	100.0
Parks, Forestry & Recreation	(176.6)	6.4	(60.6)	67.9
Shelter, Support and Housing Administration	(4.6)	57.4	(2.7)	75.5
Toronto Employment and Social Services	(0.8)	28.9	(0.3)	72.7
Sub-Total	**(255.2)**	**10.5**	**(76.6)**	**73.1**

Children's Services spent $0.880 million or 13.2 % of its 2014 Approved Capital Budget of $6.650 million for the period ended May 31, 2014; spending is projected to be $5.236 million or 78.7 % by year end.

The following projects are proceeding as planned and are projected to be completed by year-end:

- The *TELCCS SOGR* project, with a 2014 approved cash flow of $1.657 million, had no expenditures for the five month period ended May 31, 2014. As the Program is co-ordinating the 2014 upgrades in the City operated child care centres, spending will accelerate in the second and third quarters once RFPs are issued. It is projected that the 2014 cash flow will be fully spent by year-end.

- The *Service Efficiency Implementation* project, with a 2014 approved cash flow of $0.625 million, had no expenditures for the five month period ended May 31, 2014. The project is underway, and the Program is in the process of hiring staff to implement the first phase of this project. The 2014 approved cash flow is projected to be fully spent by year-end.

- The *St John the Evangelist Catholic School* project, with a 2014 approved cash flow of $0.550 million, had no expenditures for the five month period ended May

31, 2014. The project is in the planning stage, and is projected to be fully spent by year-end.

- The *St Andrew Child Care Centre* project's capital expenditures totalled $0.264 million, representing 51.1% of the 2014 approved cash flow of $0.517 million. This project is complete, and is pending the final contractor's billing. The 2014 approved cash flow is projected to be fully spent by year-end.

- The Squirrel's Nest Day Care Centre project's capital expenditures totalled $0.056 million representing 45.5% of the 2014 approved cash flow of $0.123 million. The 2014 approved cash flow is projected to be fully spent by year-end.

- The *Regent Park Children's Hub* project capital expenditures, with a 2014 approved cash flow of $0.070 million, had no expenditures for five month period ended May 31, 2014. The project is projected to be fully spent June 30, 2014, once the duck bank has been relocated.

The rate of spending for the first five months of 2014 and projected year-end results are mainly driven by the underspending in the following projects and unspent funding of $1.414 million, with be carried forward into 2015:

- The *CSIS 3* project's capital expenditures totalled $0.560 million, representing 26.6% of the 2014 approved cash flow of $2.108 million. With year-end spending estimated to be $1.658 million or 78.7%, this project has been delayed due to difficulties in hiring qualified staff. The unspent cash flow of $0.450 million will be carried forward into 2015.

- The *Block 31 Child Care Centre* project, with a 2014 approved cash flow of $1.000 million that was approved by Council on February 19, 2014, had no expenditures, as the project is in the early planning phase. Year-end spending is projected to be $0.036 million, with the architectural evaluation close to completion. The unspent cash flow of $0.964 million will be carried forward into 2015.

Courts Services spent $0.072 million or 29% of its 2014 Approved Capital Budget of $0.351 million for the period ended May 31, 2014; and spending is projected to be $0.211 million or 60% by year-end.

Court Services' 2014 Capital Budget includes the following projects:

- The *Provincial Offenses Act (POA) Application Sustainment & Hardware Upgrades* project ($0.211 million) that will allow customers to view their trial date and outstanding fine information on-line, as well as schedule early resolution meetings with prosecutors. This project is proceeding as planned with capital spending projected to reach $0.211 million or 100% by year-end.

- The *POA Video Conferencing for Interpreters* project ($0.140 million) has been cancelled and will have no expenditures by year-end. The project would have funded audio and video conference technology into meetings with prosecutors and in courtrooms to allow interpreters to provide remote interpretation services. Based on the result of the assessment conducted in early 2014, the implementation of this project will not result in operating savings. This project was funded 100% by the POA Stabilization Reserve.

Economic Development and Culture incurred expenditures of $3.822 million or 9.9% of the approved $38.459 million for the five months ended May 31, 2014; and spending is projected to be $29.174 million or 75.9% by year end.

The under-spending for the five months ended May 31, 2014 and projected year-end results are mainly driven by the following projects:

- The *BIA Streetscape Improvement Program's* capital expenditures totalled $0.322 million representing 4.1% of the 2014 approved cash flow of $7.919 million during the five months ended May 31, 2014. It is estimated that $6.802 million or 85.9% of the 2014 approved cash flow will be spent by year-end. Of the overall approved cash flow, 10.4% or $0.826 million is funded by Section 37 and/or 45 contributions to the City, 24.8% or $1.965 million is cost shared with the BIAs, whereby the BIAs pay 65% over time and the City 35%; and 64.8% or $5.129 million is for the traditional stream with 50/50 cost sharing between the City and the BIAs.

- The *Fort York Visitor Centre* (FYVC) project's capital expenditures totalled $2.382 million representing 20.2% of the approved cash flow of $11.820 million during the five months ended May 31, 2014. It is estimated that $9.525 million or 80.6% of the 2014 approved cash flow will be spent by year-end. The original schedule for the FYVC was set back by a full year in 2011 when an over-budget tender required revisions by the design team so that it could be successfully re-tendered. All FYVC budgets continue to be under-spent as a result of this delay. The project is under construction and 62.6% spent at May 31, 2014. The current forecasted date for substantial completion is July 31, 2014. Temporary exhibits about the Great War will be installed in August, and the Visitor Centre will open to the public on September 19, 2014. The remaining project budget is planned for permanent exhibits and audio-visual presentations. This work will be undertaken in 2014-2015 and installed after the Magna Carta special exhibit in the fall of 2015.

- The *Fort York Interiors* project did not have any capital spending during the five months ended May 31, 2014. It is estimated that $0.0.200 million or 36% will be spent by year-end. The Fort York interiors project was delayed as a result of the curatorial focus on completing exhibit designs within the new Visitor Centre and

planning for a more coherent exhibit experience across the site. The tender for design of the Fort York Interiors has recently been issued.

- The *John St. Roundhouse Museum* project's capital expenditures totalled only $402 or 0.1% of the approved 2014 cash flow of $0.615 million during the five months ended May 31, 2014. It is estimated that $0.071 million or 11.5% of the 2014 approved cash flow will be spent by year-end. The Copeland Transformer Station (formerly the Bremner Street Transformer Station), is under construction by Toronto Hydro. The target completion date is December 2014, to be on-stream in time for the Pan-Am Games. The location of the transformer station is the west end of the Roundhouse site, which has entailed dismantling the historic Machine Shop. The Machine Shop will be reconstructed as part of the final phase of the project, and be made available to the TRHA for the rail museum. Late in 2013, THES advised EDC that the Machine Shop would not be available for museum purposes, and so the design team has begun working with THES on other interpretive opportunities. Some planning work and site preparation will be completed in 2014.

- The *Prince Edward Viaduct – Illumination* public art project expenditures totalled $0.022 million or 1.3% of the approved 2014 cash flow of $1.705 million during the five months ended May 31, 2014. It is estimated that $0.402 million or 23.3% of the approved 2014 cash flow will be spent by year-end. The project is at the 100% design development stage with tendering scheduled for August 2014. The construction of Phase 1 of the project will commence in the fall and is expected to be complete in April 2015. As an update, on July 8, 2014 City Council adopted the amendment to increase the total project cost of the Prince Edward Viaduct Illumination (Phase 1) sub-project (i.e. lighting of the five piers and subway undercarriage) by $1.000 million to $2.800 million funded from the Public Realm Reserve Fund (XR1410).

- The *Fort York Landscape* project has been delayed as the schedule for the removal of the Garrison Road Bridge has been changed as part of the Gardiner deck rehabilitation project. The design is now complete and has been costed; landscape architects are working on the tender package for issue in Q3. While no expenditures have been incurred to May 31, 2014, it is estimated that $0.100 million or 20% of the approved 2014 cash flow of $0.500 million will be spent by year-end.

- The *Spadina Restoration* project has been delayed to allow splitting of the project into two phases as operational demands at the site made this necessary. Splitting the work then involved two rounds of tendering and purchasing and delayed spending. Phase two of the restoration of the barn and stables at Spadina has now been awarded to a heritage contractor and the project will start within a month. In total, the two phases of the project have incurred expenditures of $0.009 million or 2.2% of approved 2014 cash flow of $0.440 million during the five months

ended May 31, 2014. It is estimated that $0.214 million or 48.5% of the approved 2014 cash flow will be spent by year-end.

- The *Toronto Centre for the Arts Main Stage Reconfiguration* (TCA) project did not incur any capital expenditures during the five months ended May 31, 2014. It is estimated that $1.675 million or 74.3% of the approved 2014 cash flow of $2.253 million will be spent by year-end. The original budget for 2014 planned for the TCA to purchase the majority of theatrical equipment in early 2014 so that this equipment could be used for the 6 weeks of programming scheduled to take place on a temporary basis on the Main Stage, prior to the scheduled start of construction. The TCA has made alternate plans for this programming, eliminating the need to buy the equipment in 2014. Other costs that will be postponed are the purchase of the seating and seating riser unit that is no longer needed in 2014. The planned construction start date has been moved up from November 16th, 2014 to the beginning of October 2014 to ensure the tight deadline for phase 1 of the Stage Tower Theatre can be achieved.

- The *Casa Loma Exterior* project expenditures totalled $0.031 million or 4.9% of the approved 2014 cash flow of $0.636 million during the five months ended May 31, 2014. It is estimated that $0.636 million or 100% of the 2014 approved cash flow will be spent by year-end. The multi-phased restoration of Casa Loma was delayed by more than a year while the City considered governance issues following the termination of the agreement with the Kiwanis. In 2012, with an adjusted budget, the scope of work for the project was changed and phase 7A commenced. Phase 8 was tendered in the fourth quarter of 2013 for award as soon as budgets became available in the New Year. Spending should be back on schedule by the third quarter of 2014.

- The *Cedar Ridge Elevator* project did not incur any capital expenditures against its 2014 approved cash flow of $0.166 million during the five months ended May 31, 2014. It is estimated that $0.166 million or 100% of the 2014 approved cash flow will be spent by year-end. 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 project was re-tendered in the last quarter of 2013, and PO issued in the first quarter of 2014, for construction in the summer.

- The *Colborne Lodge Coach House* project's capital expenditures totalled $0.008 million representing 3.4% of the 2014 approved cash flow of $0.239 million during the five months ended May 31, 2014. It is estimated that $0.189 million or 79.1% of the 2014 approved cash flow will be spent by year-end. The project required an archaeological review before work could commence, and once that was complete, on-site investigation was hindered by the excessive rain. The impact of the heavy rainfall instigated a change in the scope of work. The project was issued for tender by March 31, 2014.

Emergency Medical Services (EMS) spent $0.181 million or 3.7% of its 2014 Approved Capital Budget of $4.899 million for the period ended May 31, 2014; and spending is projected to be $2.692 million or 55% by year-end.

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

- The *Mobile Data Communications (2011-2013)* project's capital expenditures totaled $0.048 million, representing 15.0% of the 2014 approved cash flow of $0.322 million. The project is on schedule and it is estimated that $0.322 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The *Medical Equipment Replacement* project's capital expenditures totaled $0.079 million, representing 25.5% of the 2014 approved cash flow of $0.310 million. The project is on schedule and it is estimated that $0.310 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The *Power Stretchers* project with 2014 Approved cash flow of $0.150 million had no capital expenditures for the five months ended May 31, 2014. The project is on schedule and EMS will be purchasing power stretchers. It is estimated that $0.150 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The *Central Ambulance Communication Centre (CACC) & Systems Upgrade* project's capital expenditures totaled $0.001 million, representing 0.6% of the 2014 approved cash flow of $0.200 million. The project is on schedule and it is estimated that $0.200 million or 100% of the 2014 approved cash flow will be spent by year-end.

The projected year-end under spending of $2.207 million or 45% is driven mainly by the following:

- The *Northwest Multi-Function Station* project's expenditures totalled $0.053 million or 2.7% of the 2014 approved cash flow of $1.950 million (fully comprised of 2013 carry forward funding into 2014) during the five months ended May 31, 2014. Asbestos abatement, currently in progress, will delay the demolition and may result in the construction of the new building to start in 2015. Capital spending is projected to reach $0.605 million by year-end.
- The *Back-Up Communications Centre Upgrades* project, with 2014 approved cash flow of $1.200 million had no spending during the five months ended May 31, 2014. Capital spending is projected to reach $0.400 million by year-end with a projected carry forward funding of $0.800 million into 2015. EMS is assessing new hardware and software currently available prior to completing the request for proposal (RFP) by mid-2014.

Long-Term Care Homes & Services (LTCHS) spent $6.405 million or 18.8% of its 2014 Approved Capital Budget of $34.118 million for the period ended May 31, 2014; and spending is projected to be $34.118 million or 100% by year-end.

The rate of spending for the first five months of 2014 is attributed to the following projects, all of which are on track and projected to be fully spent by year end.

- The *Redevelopment* project's capital expenditures totalled $5.617 million representing 23.2% of the 2014 approved cash flow of $24.189 million during the five months ended May 31, 2014. It is estimated that $24.189 million or 100% of the 2014 approved cash flow will be spent by year-end.
    - The *Kipling Acres Redevelopment* project's capital expenditures totalled $5.432 million representing 22.9% of the 2014 approved cash flow of $23.739 million during the five months ended May 31, 2014. The 192-bed redevelopment phase has been opened and residents were moved in during the first quarter of 2014. Development of the remaining 145-bed phase will proceed on the existing Kipling Acres location, with major demolition expected to be completed by the end of the second quarter. The 145-bed phase project has been tendered and it is projected that construction will begin in the third quarter. It is estimated that $23.739 million or 100% of the 2014 approved cash flow will be spent by year end.
    - The *George Street Revitalization (GSR)* project did not have capital expenditures during the five months ended May 31, 2014 for the *GSR-LTC Homes Feasibility Study*. RFPs have been issued, with a closing date of June 30, 2014. The feasibility study is expected to be completed by November 2014. It is estimated that $0.450 million or 100% of the 2014 approved cash flow will be spent by year end.
- The *Capital Maintenance* project's expenditures totalled $0.789 million representing 8.0% of the 2014 approved cash flow of $9.929 million during the five months ended May 31, 2014. Under spending in the first five months is due to the majority of the projects being in the tendering phase, with site work to commence in the third quarter and completion by December 2014. It is estimated that $9.929 million or 100% of the 2014 approved cash flow will be spent by year end.

Parks, Forestry and Recreation's (PF&R) capital expenditures for the period ended May 31, 2014 totaled $12.121 million or 6.4% of its 2014 Approved Capital Budget of $188.759 million. PF&R projects that $128.133 million or 67.9% of the approved cash flow will be spent by year-end.

PF&R capital budget spending rates are often impacted by poor weather conditions, extensive community and Councillor consultations and programming constraints.

For projects that are on track, Parks, Forestry and Recreation has already spent $0.803 million or 1.9% as of May 31, 2014 and expects to spend $38.775 million or 93.2% of $41.599 million by year-end as highlighted below:

- The *Facility Components* project ($0.050 million or 0.01% of $3.563 million) includes the *Various Building and Facility Rehabilitation* project ($2.563 million), *Capital Asset Management Planning FY2014* project ($0.500 million)

for state-of-good-repair rehabilitation work, and *Capital Emergency Fund FY2014* project ($0.500 million) that are on track and projected to be complete by December 2014.

- The *Parks Service Plan* project ($0 of $2 million) is a multi-year project with cash flows of $2 million in 2014, $3.5 million in 2015, $5 million in 2016, $5.375 million in 2017 and $5.75 million in 2018. The project includes city-wide upgrades and improvements to park amenities including benches, picnic tables, water stations, washrooms and the creation of social gathering spaces. The first phase of the project ($2 million) is on track for completion by December 2014.

- Various *Park Development* projects ($0.492 million or 2.2% of $22.036 million) include the expansion, repair and/or the addition of park amenities to multiple projects including but not limited to the *Linear Art Park S42* project ($2.000 million), *Various Parks Rehabilitation* project across the City ($2.562 million), *Amos Waites Park Improvements* project ($0.700 million), the *Cawthra Square Park Ph 2 Construction* project ($0.650 million), and the *Bathurst Corridor Park* project ($0.500 million). These projects are on track and will be completed by year-end.

- The *Playground and Waterplay* projects ($0.015 million or 0.4% of $3.789 million) will design and construct new playgrounds, new waterplay amenities, or new splash pads for various projects including the *Eglinton Park Improvements S42* project ($0.587 million), *Martin Grove Gardens Park Waterplay S42* project ($0.550 million), *Viella Tarragon Park Waterplay S37* project ($0.550 million), *Belmar Park-New Splash Pad* project ($0.500 million), and *Seven Oaks Park-New Splash Pad* project ($0.500 million). These sub-projects have an expected completion date of December 2014.

- Various *Information Technology* projects ($0.247 million or 10.4% of $2.374 million) include the *Customer Service/eService* project ($1.120 million), the *Business Performance Management* project ($0.514 million), and the *Work Asset Management & Mapping* project ($0.570 million). These sub-projects are multi-phased projects that are on track to progress to the next phase.

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

- The *Land Acquisition* project's capital expenditures totalled $0.015 million representing 0.3% of the 2014 approved cash flow of $5.045 million, with spending projected to be $1.706 million or 33.8% of plan by year-end. $3.339 million of under-spending is attributed to the following projects: $2.510 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 $0.829 million due to protracted environmental approvals and remediation work at various sites including *Grand Manitoba/Mystic, Stafford, Paton Road* and *318 Queens Quay West* project.

- The *Park Development* project's capital expenditures totalled $2.071 million or 3.9% of the 2014 approved cash flow of $53.563 million for the period ended May 31, 2014, with spending projected to be $37.265 million or 69.6% by year-end. Projected under-spending of $16.298 million is attributed to delays in the following projects: $5.0 million for *Grange Park* project as the City of Toronto is still in negotiations with the Art Gallery of Ontario (AGO); $1.183 million for the development of *Mystic Point Park* project due to land transfer issues; $1.9 million for work related to the July 8, 2013 storm damage requiring various environmental design services and approvals; over $1.2 million for the Lisgar/Queen West Triangle Park due to land acquisition delays stemming from the developer's schedule; $1.272 million for Bellevue Square and various other park development projects due to ongoing design work and extended community consultation processes.

- The *Arena* project's capital expenditures totalled $0.203 million or 1.9% of the 2014 approved cash flow of $10.836 million for the period ended May 31, 2014, with spending projected to be $7.666 million or 70.7% of plan by year-end. Projected under-spending of $3.170 million is primarily due to various Arena and Outdoor Artificial Ice Rink State of Good Repair projects which may not be completed by year end due to programming constraints and poor weather conditions; and $0.450 million for the Colonel Samuel Smith Powerhouse project which had to be re-tendered.

- The *Community Centres* project's capital expenditures totalled $5.446 million or 10.3% of the 2014 approved cash flow of $51.086 million for the period ended May 31, 2014, with spending projected to be $29.187 million or 55% by year-end. Projected under-spending of $23.899 million is attributed to the following projects: $7.095 million for the *Railway Lands Community Centre* project and $1.680 million for the construction of the Railway Lands TDSB and TCDSB Schools due to ongoing negotiations with multiple development partners; $3.4 million for *York Community Centre* project 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; over $5.6 million for the *Regent Community Centre* project due to pro-longed environmental soil remediation and testing requirements; over $1 million for the *Bessarion/Canadian Tire Community Centre* project as it is still in the design/consultation stage; $1.653 million for the *Milliken Community Centre* project as the Section 37 funds have not yet been received; and $2.4 million for various *Community Centre CAMP* projects that will not be completed by year end due to construction and programming restrictions.

- The *Environmental Initiatives* project's capital expenditures totalled $0.072 million representing 1.2% of the 2014 approved cash flow of $6.019 million for the period ended May 31, 2014, with spending projected to be $4.269 million or 70.9% of plan by year-end. Projected under-spending of $1.750 million is

attributed to detailed design work that is dependent on favourable weather conditions and coordination with Toronto Water.

Shelter, Support and Housing Administration (SSHA) spent $6.254 million or 57.4% of its 2014 Approved Capital Budget of $10.900 million with spending projected to be $8.227 million, or 75.5% by year-end.

The projected year-end under-spending is attributable to delays in the following project/ subprojects:

- The *Shelter Development/ Redevelopment* project spent $6.248 million, or 68.6% of the approved cash flow of $9.110 million. Year-end spending for this project is projected to be $7.088 million. Estimated unspent cash flow of $2.022 million will be carried forward into 2015 to complete the feasibility study and to purchase the remaining parcels of land adjacent to the existing Seaton House Shelter. The cash flow for this project is being amended to provide the funding required to hire a project manager to complete the feasibility analysis, with details included in Appendix 2.
- The *Capital Repairs/ Replacements for City Operated/ Leased Shelters* spent $0.006 million or 0.4% of the approved cash flow of $1.790 million, with commitments of $0.740 million for the period ended May 31, 2014. These commitments cover a variety work, including roof repairs, generator replacement, asphalt repairs and fire panel upgrades to the City's leased and directly operated shelters. While the Program is working in partnership with Facilities to reduce the SOGR backlog, estimated unspent cash flow of $0.651 million will be reallocated to the Shelter Development Redevelopment project to provide funding to hire a project manager, with details included in Appendix 2.

Toronto Employment & Social Services (TESS) spent $0.318 million or 28.9 % of its 2014 Approved Capital Budget of $1.100 million for the period ended May 31, 2014; and spending is projected to be $0.800 million or 72.7% by year-end.

The *Employment Assistance – Phase 2* project with total capital expenditures of $0.232 million representing 46.4% of the 2014 approved cash flow of $0.500 million is on track and scheduled for completion by year-end. 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. In addition, the ESS is being modified to align with the structure of the new RFP for purchased employment services. It is estimated that the cash flow funding for this project phase will be fully spent by year-end.

The projected under-spending is mainly driven by delays in the *Case Management – Phase 2* project with total capital expenditures of $0.087 million representing 14.4% of the 2014 approved cash flow of $0.600 million, and spending projected to be $0.300 million or 50% of 2014 approved cash flow by year-end. Implementation of the SAMS (Social Assistance Management System), the new Provincial technology for the delivery of the Ontario Works program, is scheduled for 2014, and capital work in support of this

will be performed as required. An Oracle Advanced Analytics processor was purchased. No further work will be done on the Drug Benefit Card, as the Province will be taking over this initiative. This project is 100% funded by the Province.

Citizen Centred Services "B"

During the five months ended May 31, 2014, capital expenditures for this Cluster totalled $69.960 million or 14.1% of their collective 2014 Approved Capital Budget of $497.883 million. Spending is expected to increase to $374.209 million or 75.2% by year-end.

Citizen Centred Services "B" Five Months 2014 Capital Variance ($ Million)				
	Actual to May 31, 2014		Projected 2014 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
City Planning	(13.1)	5.7	(3.3)	75.8
Fire Services	(17.3)	20.8	(8.0)	63.5
Transportation Services	(349.6)	7.5	(105.8)	72.0
Waterfront Revitalisation Initiative	(47.9)	43.2	(6.5)	92.3
Sub-Total	**(427.9)**	**14.1**	**(123.7)**	**75.2**

City Planning incurred expenditures of $0.783 million or 5.7% of its 2014 Approved Capital Budget of $13.835 million for the period ended May 31, 2014; and spending is projected to be $10.488 million or 75.8% by year end.

The Program spent $0.398 million as of the end of the five months on the following projects that are on track:

- The *Five Year Review of the Official Plan* project's capital expenditures totalled $0.034 million representing 5.6% of the 2014 approved cash flow of $0.6 million during the five months ended May 31, 2014. This project provides funding for the Planning Act's statutory Five Year Review of the Official Plan as well as a Municipal Comprehensive Review. It is a multi-year project that is scheduled to be completed by the end of 2015. It is anticipated that $0.6 million or 100% of the 2014 approved cash flow will be spent by year-end; and

- The *New Zoning By-Law Support for Legal Challenges* project's capital expenditures totalled $0.170 million representing 22.6% of the 2014 approved cash flow of $0.755 million during the five months ended May 31, 2014. This project provides funding for the Zoning By-law Planning and Legal teams and is forecasted to be on schedule and completed by the end of 2015. It is estimated that $0.755 million or 100% will be spent by year-end.

The under-spending for the first five months of 2014 is mainly driven by delays in the following projects:

- The *Civic Improvement - Places* project's capital expenditures totalled $0.108 million representing 2.5% of the 2014 approved cash flow of $4.930 million during the five months ended May 31, 2014. This project includes design work to enhance open spaces within the road allowance in coordination with divisional capital works programs. It is estimated that $3.331 million or 67.6% of the 2014 approved cash flow will be spent by year-end;

- The *Development Charge Funded Studies* project's capital expenditures totaled $0.459 million representing 9.7% of the 2014 approved cash flow of $4.742 million during the five-month period ended May 31, 2014. Project spending is lower than planned for this period due to contract and procurement process delays and it is estimated that $4.277 million or 90.2% of the 2014 approved cash flow will be spent by year-end; and

- The *John Street Revitalization* project did not incur any capital expenditures as of May 31, 2014. Procurement of the project is currently underway with project completion expected by June 30, 2015. It is estimated that $1.283 million or 50.0% of the 2014 approved cash flow will be spent by year-end.

Toronto Fire Services' (TFS) spent $4.534 million or 20.8% of its 2014 Approved Capital Budget of $21.850 million for the period ended May 31, 2014; and spending is projected to be $13.881 million or 63.5% by year-end.

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

- The *Station D (Midland & Eglinton)* project's capital expenditures totaled $0.757 million, representing 58.4% of the 2014 approved cash flow of $1.296 million. The project is on schedule and it is estimated that $1.296 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The *Self-Contained Breathing Apparatus Replacement* project's capital expenditures totaled $0.003 million, representing 0.05% of the 2014 approved cash flow of $5.581 million. The project is on schedule and it is estimated that $5.581 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The *Predictive Modelling Tool* project with 2014 Approved cash flow of $0.300 million had no capital expenditures for the five months ended May 31, 2014. The project is on schedule and it is estimated that $0.300 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The *Training Simulators Rehabilitation* project with 2014 Approved cash flow of $0.100 million had no capital expenditures for the five months ended May 31, 2014. The project is on schedule and it is estimated that $0.100 million or 100% of the 2014 approved cash flow will be spent by year-end.
- The *Replacement of HUSAR Equipment* project with 2014 Approved cash flow of $0.050 million had no capital expenditures for the five months ended May 31, 2014. The project is on schedule and it is estimated that $0.050 million or 100% of the 2014 approved cash flow will be spent by year-end.

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

- The *Replacement of Fire Station #135*- Chaplin Fire Station project, with a 2014 approved cash flow of $3.074 million did not have any capital expenditures as of May 31, 2013. Capital spending is projected to reach $2.000 million by year-end

with projected carry forward funding of $1.074 million into 2015. The issuance of the construction permit was delayed due to issues with moving the sewer lines that required approval from the Ministry of Environment. The project is anticipated to be completed in 2015.

- The *Station A (Station #414) – Hwy 27 and Rexdale Blvd* project, with a 2014 approved cash flow of $2.417 million did not incur any capital expenditures as of May 31, 2013. The original site for the fire station is no longer available, however an alternate site has been found. FM&RE staff will commence negotiations and anticipates that the land purchase will be completed by the end of 2014.
- The *Specialized Trucks & Equipment* project, with a 2014 approved cash flow of $2.470 million did not have any capital expenditures as of May 31, 2013. These are custom designed trucks that are beyond normal parameters of the standard apparatus used by TFS. Funds are expected to be committed by year-end with actual payments to be made in 2015.
- The *Emergency Phone System Replacement* project, with a 2014 approved cash flow of $1.000 million did not have any capital expenditures as of May 31, 2013. The project is delayed pending an assessment of the 911 regulatory changes mandated by the Canadian Radio-television and Telecommunication Commission (CTRC) that will come into effect on January 1, 2015 which will require TFS' telephone infrastructure to change from a circuit switched technology to an Internet Protocol (IP) platform. A call for a consultant is expected by the middle of 2014 and the project is anticipated to commence in the 4th quarter of 2014 and completed by 2015.

Transportation Services (TS) had spending of $28.194 million or 7.5% of its 2014 Approved Capital Budget of $377.809 million for the period ended May 31, 2014; and spending is projected to reach $271.978 million or 72.0% by year-end. However, some of the projected under spending is attributable to estimated savings of $49.570 million or 13.1% of the 2014 Approved Capital Budget related to projects expected to be completed in 2014.

The rate of spending for the five months ended May 31, 2014 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.

The Program had spending of $24.760 million in the first five months and expects to spend $266.621 million or 72.3% of its 2014 Approved Capital Budget of $368.633 million by year-end on projects that are considered on track. These are ongoing capital programs with annual projects and include the following:

- The *Major Roads* program incurred expenditures of $2.866 million and spending of $56.427 million or 87.0% of its 2014 approved cash flow of $64.825 million is projected by year-end. Addressing Transportation Services' state of good repair backlog was a key capital priority during the 2014 Budget process.

- The *Local Road Rehabilitation* program had expenditures of $2.109 million and $38.591 million or 73.8% of its 2014 approved cash flow of $52.327 million is projected to be spent by year-end.

- The *Sidewalk Rehabilitation* program, which ensures the safety of pedestrians, had spending of $0.478 million and $12.835 million or 90.7% of its 2014 approved cash flow of $14.154 million is projected to be spent by year-end.

- The *Infrastructure Enhancement* project's capital expenditure totalled $4.121 million and $45.913 million or 55.9% of its 2014 approved cash flow of $82.052 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 $0.854 million and spending of $8.014 million is projected by year-end; and various construction projects (i.e. TTC track replacement) that had spending of $1.125 million and spending of $8.100 million is projected by year-end.

- The C*ity Bridge Rehabilitation* project's capital expenditure totalled $6.881 million and $31.961 million or 82.4% of its 2014 approved cash flow of $38.771 million is projected to be spent by year-end. While contracts have been awarded and all work is expected to be tendered, Engineering & Construction Services will continue to review the projects and will have an updated estimate of the cash flow requirements for future variance reports.

- The *F. G. Gardiner Expressway* project's capital expenditure totalled $3.230 million and $51.400 million or 82.7% of its 2014 approved cash flow of $62.165 million is projected to be spent by year-end. Construction has started on the median replacement and the bent repair project is almost complete. Funds have been fully committed and contracts have been awarded.

- The *Traffic Control* project's capital expenditure totalled $4.802 million and $22.103 million or 50.5% of its 2014 approved cash flow of $43.770 million is projected to be spent by year-end.

- The *Neighbourhood Improvement* projects had no capital expenditures in the first five months, but $1.881 million or 74.1% of its 2014 approved cash flow of $2.540 million is projected to be spent by year-end.

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

Waterfront Revitalization Initiative had spending of $36.4 million or 43.2% of its 2014 Approved Capital Budget of $84.4 million for the period ended May 31, 2014; and spending is projected to be $77.9 million or 92.3% by year-end.

The rate of spending for the first five months of 2014 is attributed to the following projects/sub-projects:

- The *Union Station* project's capital expenditures totalled $1.6 million or 11.7% of the 2014 approved cash flow of $13.6 million during the five months ended May 31, 2014. Construction of the second subway platform and associated concourse improvements are forecasted to be on schedule and completed in 2015. It is estimated that $13.6 million or 100.0% of the 2014 approved cash flow will be spent by year-end;
- The *Precinct Implementation* project's capital expenditures totalled $31.3 million or 55.9% of the 2014 approved cash flow of $55.9 million during the five months ended May 31, 2014. Year-to-date spending includes continued construction of sewer and water services, and the Peter St. Bridge modifications for the revitalization of Queens Quay. Work also includes the completion of the hydraulic barrier wall and excavation of soil in preparation of the dockwall reinforcement in Bayside. As a result of a delay in the execution of funding agreements in East Bayfront, it is anticipated that $52.0 million or 93.0% of the 2014 approved cash flow will be spent by year-end and remaining amount to be carried forward to 2015.
- The *Transportation Initiatives* project's capital expenditures totalled $1.2 million or 25.6% of the 2014 approved cash flow of $4.6 million during the five months ended May 31, 2014. The major part of the Gardiner EA is expected to be completed in 2014 however a portion of the budget will be carried over to next year in order to facilitate reporting back to City Council in early 2015. The agreement with Build Toronto has been completed and design work for the Fort York Pedestrian Bridge is forecasted to begin this summer. It is anticipated that $3.0 million or 64.8% of the 2014 approved cash flow will be spent by year-end; and
- The *Port Lands Preparation* project's capital expenditures totalled $0.451 million or 62.1% of the 2014 approved cash flow of $0.725 million during the first five months ended May 31, 2014. Completion of cost estimates to reflect final proposed configurations for flood protection and infrastructure works for the Lower Don Lands Infrastructure Master Plan are expected to be completed this fall. It is estimated that $0.725 million or 100% of the 2014 approved cash flow will be spent by year-end.

Internal Services

For the five months ended May 31, 2014 capital expenditures for Internal Services totalled $60.471 million or 13.6% of their collective 2014 Approved Capital Budget of $444.809 million. Spending is expected to reach $311.336 million or 70% by year-end.

Internal Services
Five Months 2014 Capital Variance
($ Million)

	Actual to May 31, 2014		Projected 2014 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
311 Toronto	(4.1)	25.5	(1.2)	77.7
Facilities Management & Real Estate	(251.3)	13.8	(3.3)	65.7
Financial Services	(18.7)	9.8	(2.5)	88.2
Fleet Services	(37.2)	11.5	(10.5)	75.1
Information Technology	(73.1)	14.2	(19.5)	77.2
Sub-Total	**(384.3)**	**13.6**	**(133.5)**	**70.0**

311 Toronto incurred expenditures of $1.389 million or 25.5% of its 2014 Approved Capital Budget of $5.439 million for the period ended May 31, 2014; and the Program is projecting expenditures to be $4.225 million or 77.7% by year-end.

- The *311 Future Integration and Strategy Initiative* project's capital expenditures totalled $1.142 million representing 43.1% of the 2014 approved cash flow of $2.650 million. The project includes the implementation of an Enterprise Scheduler which will provide opportunities for the public to book appointments and/or facilities through 311, as well as the initial assessment phase for the integration of a payment module for recreation programs to be implemented as an enterprise solution in 2015. It is estimated that 72.4% of the 2014 approved cash flow or $1.920 million will be spent by year-end. Due to the challenges in recruiting staff and the delays in the award of the RFP for an Enterprise Scheduler, it is anticipated that 72.4% of the 2014 approved cash flow or $1.920 million will be spent by year-end.

- The *311 Technology Solution SOGR* project's capital expenditures totalled $0.247 million representing 8.9% of the 2014 approved cash flow of $2.789 million. The project involves the upgrade and replacement of servers and software to ensure continuity of the 311 Contact Centre Operations as well as the upgrade of the Knowledgebase and Content Management Tool which will improve the administration and workflow of the existing knowledge base. The Knowledgebase upgrade project has been deferred until 2015 to coincide with vendor software availability. However, the SOGR for the Telephone system which was originally scheduled for upgrade in 2015 will be initiated in 2014 due to the Telephony phone and speech technology system reaching the end of its lifecycle earlier than anticipated. It is estimated that 82.7% of the 2014 approved cash flow or $2.305 million will be spent by year-end. The under-spending is attributed to the delays in hiring a project lead thus impacting the award of the RFP timelines.

Facilities Management and Real Estate (FM&RE) incurred expenditures of $40.099 million or 13.8% of its 2014 Approved Capital Budget of $291.443 million for the period ended May 31, 2014; and is projecting expenditures to be $191.574 million or 65.7% by year-end.

State of Good Repair (SOGR) projects of varying size had capital expenditures of $4.209 million or 9.9% of the 2014 approved cash flow of $42.544 million as of May 31, 2014. A number of new SOGR sub-projects are currently in the procurement phase for either design or construction work. 121 SOGR projects are on track towards completion in 2014 which will address numerous backlog issues across the portfolio of facilities. Overall, it is estimated that $31.929 million or 75.1% of the 2014 approved cash flow will be spent by year-end.

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

- The *Union Station Revitalization (USR)* project's capital expenditures totaled $30.986 million or 16.3% of the 2014 approved cash flow of $190.016 million as of May 31, 2014. Phase 1 of the project experienced delays mainly due to found site conditions such as heritage and environmental elements including designated substances. This has impacted progress on the York Concourse, the restoration of other interior areas, and the installations of new mechanical and electrical systems. In addition, the need for coordination amongst stakeholders and other projects in the precinct have also impacted progress. Work plans have been revised to address these issues, with Phase 1 of the project now expected to be completed in 2014. These delays have impacted the timelines for Phase 2, which will not be commenced until the end of 2014 with the majority deliverables in 2015. As a result, spending for the USR project is forecasted to be $123.527 million or 65.0% of the 2014 approved cash flow by year-end.

    - It is noted that Phase 1 of NW PATH project has made significant progress with an expected completion by the end of 2014 and the approved cash flow will be fully spent. Final design will be completed in late 2014 for Phase 2 (up York Street from Front Street to Wellington Street) and construction will commence in later 2015 after the PanAm games.

- The *St. Lawrence Market North (SLMN) Redevelopment* project's capital expenditures totaled $0.232 million or 1.8% of the 2014 approved cash flow of $12.671 million. Original completion timeline was revised during 2013 due to the need for design changes and additional funding. The expected completion date is 2016 for all construction. FM&RE staff continues to work through design issues with clients, stakeholders and the consultants. It is expected that the tendering process for the construction contracts for St. Lawrence Market North as well as temporary market will start in late 2014. As a result, it is estimated that only $3.5 million or 27.6% of the 2014 approved cash flow will be spent by year-end for finalizing design, constructing the temporary market and demolishing current

SLMN facility subject to the construction cost estimate from the Architect for the new building within the total approved project cost.

- The *Nathan Phillips Square Revitalization (NPSR)* project's capital expenditures totaled $1.378 million of the 2014 approved cash flow of $13.254 million. The NPSR project experienced delays due to a change in contractors and the need to re-tender the scope of work for the remaining Phases 3 and 4 of the project under a revised contract structure. The contract for Phases 3 and 4 of the project include the relocation of the Peace Garden, landscaping work along the southern and western edges and upgrading the building at Queen and Bay. Work is currently progressing on the Rabbit stairs and work on the west quadrant has begun. Winter weather conditions limited the ability to proceed with construction during the beginning of the year. As a result, it is estimated that $10.033 million or 75.7% of the 2014 approved cash flow will be spent by year-end.

- The *Westwood* project has not incurred any capital expenditures against the 2014 approved cash flow of $6.436 million. The demolition of the theatre building, front-end geotechnical work, environmental testing for the Westwood Theatre Land was completed during 2013. However, the use of remaining funds is still undetermined as staff are working with Transportation Services and Build Toronto to explore future development options in conjunction with the Six Points Interchange Reconstruction and how the remaining funding will be utilized to develop the site. As a result, it is presently anticipated that there will be zero capital expenditures by year-end, until further plans can be developed.

- The *Old City Hall HVAC and Electric Upgrades* project's capital expenditures totaled $2.210 million representing 73.6% of the 2014 approved cash flow of $3.002 million. The heating, ventilation and air-conditioning upgrades at Old City Hall have been progressing at a faster pace than anticipated when the 2014 cash flow plans were developed. It is estimated that the $5.927 million will be spent by year-end. As such, cash flow acceleration from 2015 is required with a separate staff report for budget adjustment to ensure forecasted spending in 2014 does not exceed cash flows available. Construction is 80% complete and current forecasts indicate that work is expected to be fully completed in summer 2015. Overall, the project remains within the Council approved project cost of $36.9 million.

Financial Services' capital expenditures totalled $2.041 million or 9.8% of its 2014 Approved Capital Budget of $20.754 million for the period ended May 31, 2014; and spending is projected to be $18.296 million or 88.2% by year-end.

The following projects have made significant progress and/or are on track for completion:

- *The Financial Planning Analysis and Reporting System (FPARS)* project capital expenditures are projected to be $12.875 million or 95% of the 2014 approved cash flow of $13.555 million by year-end. The project implemented Release 2 of

the Public Budget Formulation (PBF) implementation, Reporting Analytics, and Complement Management functionality that was completed at the end of May, 2014. Work is also progressing with Releases 3 and 4 to be completed in 2014, consisting of the remaining PBF functionalities required for the 2015 Budget process. The project is expecting to be under spent at year end by $0.680 million. Budget adjustment is recommended to transfer $0.280 million from this project to *Public Budget Formulation (PBF) 8.1 Upgrade* project in order to hire an external expertise to conduct an assessment in preparation for the Public Budget Formulation (PBF) 8.1 upgrade (Appendix 2).

- The *PCI Compliance* capital expenditures are projected to be $0.625 million or 100% of the 2014 approved cash flow by year-end. The project is on schedule to ensure the City meets the full payment card and data security standards.

- The e-Procurement Implementation capital expenditures are projected to be $0.892 million or 81.6% of the 2014 approved cash flow of $1.060 million by year-end. Projected under spending of $0.146 million is due to delays in negotiating with the successful proponent which are now complete and the successful proponent is performing the work.

- The Risk Management Information Upgrade capital expenditures are projected to be $0.723 million or 100% of the 2014 approved cash flow by year-end. The project has proceeded with STARS Enterprise Phase 1 went live on March 28th, 2014. Testing underway to ensure stable environment before starting the scope of work for Phase II.

The under-spending in 2014 is mainly driven by delays in the following projects:

- *The Cross-Application Timesheet (CATS)* Implementation project had no expenditures out of a total approved cash flow funding of $0.971 million as of May 31, 2014. Spending of $0.200 million or 20.5% is projected at year end are a result of delays in completing and releasing the RFP to market. The delays were primarily due to technical resource constraints needed to complete the RFP.

- *The Accounts Payable Process Improvements* project did not incur expenditures as of May 31, 2014, out of a total approved cash flow funding of $0.194 million and is projecting only $0.015 million or 7.7% to be spent by year-end, due to negotiations with the scoping and planning proponent taking longer than anticipated. The project is progressing with the completion of the procedures and policies that will be required for automating e-mail invoices. This will eliminate the need to open every e-mail and print, barcode and scan each invoice into SAP.

- *The CAPTOR Migration to New System* project, with an approved cash flow funding of $0.700 million in 2014 had no expenditures as of May 31, 2014. It is currently undergoing the project planning phase and is expected to spend $0.400 million or 57.1% by year-end.

Fleet Services' capital expenditure for the period ending May 31, 2014 totalled $4.822 million or 11.5% of the 2014 Approved Capital Budget of $41.975 million. Fleet Services is projecting $31.506 million or 75.1% of its 2014 Approved Capital Budget by year end.

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

- The *Solid Waste Fleet Replacement* project capital expenditures totalled $0.602 million representing 5.6% of the 2014 approved cash flow of $10.679 million, during the five months ended May 31, 2014. Project spending is lower than planned in the first quarter of 2014 due to the delay in the delivery of their vehicles. It is estimated that $7.414 million or 69.4% of the 2014 approved cash flow will be spent by year-end. The unspent funds of $3.265 million will be carried forward to 2015.

- The *Fire Services Fleet Replacement* project had no capital expenditures of the 2014 approved cash flow of $7.322 million during the five months ended May 31, 2014. Project spending is lower than planned in the first quarter of 2014 due to a delay in obtaining specialized fire vehicles as a result of the significant lead time required in the production of the vehicles. It is estimated that $5.084 million or 69.4% of the 2014 approved cash flow will be spent by year-end. The unspent funds of $2.238 million will be carried forward to 2015.

- The *Transportation Services Fleet Replacement* project capital expenditures totalled $0.373 million representing 19.0% of the 2014 approved cash flow of $1.964 million, during the five months ended May 31, 2014. Project spending is lower than planned in the first quarter of 2014 due to the delay in the procurement of the vehicles, and a result of the Program reviewing its operational requirements and reassessing their vehicles for replacement. It is estimated that $1.275 million or 64.9% of the 2014 approved cash flow will be spent by year-end. The unspent funds of $0.689 million will be carried forward to 2015.

Information and Technology's capital expenditures totalled $12.119 million or 14.2% of its 2014 Approved Capital Budget of $85.197 million for the period ended May 31, 2014; and spending is projected to be $65.735 million or 77.2% by year-end.

The following projects have made significant progress and/or are on track for completion:

- *The Desktop Hardware & Software, Enterprise Servers, Storage & Software* project's capital expenditures totaled $5.216 million or 28.2% of the 2014 approved cash flow funding of $18.512 million as of May 31, 2014. Expenditures at year-end are projected to be $18.176 million or 98.2% of the 2014 approved cash flow funding. These projects replace 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. This will allow for confirmation that all software are in line with corporate standards, including licensing requirements of in-scope software. During the first five months of 2014, 96% of all City computers were upgraded to Windows 7,

seventy servers were deployed with 400 terabytes of storage, 1,574 desktops, 1,032 notebooks, tablets and 188 multifunction devices and of the 1,700 RSA tokens acquired, 200 have been deployed.

- *The Integrated Telecom Infrastructure* project did not incur any expenditure in the first five months of 2014. Expenditures are projected to be $5.140 million or 84.4% of the 2014 approved cash flow funding of $6.092 million by year-end. Over 90% of the phone lines have been moved to the new vendor. It is expected that the rollover of the Contact Centres will be completed in the first half of 2014.

- The *WEB* projects *(Web Foundation and Web Content BI and Rollout)* incurred capital expenditures totaling $1.110 million or 27.8% of its 2014 approved cash flow funding of $3.992 million as of May 31, 2014, and is expected to be fully spent by year-end. The capital funding is being used to complete the migration of existing public facing web content on **toronto.ca** to the new platform; refresh the look and structure of **toronto.ca** by providing a task and service oriented approach to the web site; deploy releases 2.0, 2.1 and 2.2, 2.3 and 2.4 of the Web content application, and the successful completion of service desk activation for web content management authoring and publishing service.

    - With completion of the roll-out, business and communications employees in City Divisions are now responsible for authoring their own content, rather than requesting it be completed by the Web Competency Centre, simplifying and speeding up the process. The City's website will be more user friendly, allowing for easier access to information about the Services that the City and its partners provide.

- The *Enterprise eLearning Initiative's* capital expenditures totaled $0.009 million or 9.4% of it 2014 approved cash flow funding of $0.952 million as of May 31, 2014. It is expected that 100% of the 2014 approved cash flow funding will be spent by year-end. The City of Toronto's enterprise Learning Management System (ELI) is now live. ELI will add value by improving and streamlining the City's learning infrastructure under an efficient and effective business model. Staff can register for Courses for the Toronto Public Service, complete mandatory eLearning modules and access their training records anytime from any computer with Internet access.

- *The Email Replacement* project's capital expenditures were $0.929 million or 24.0% of its 2014 approved cash flow funding of $3.879 million as of May 31, 2014. It is projected that 100% of the 2014 approved cash flow funding will be spent by year-end. Acquisition of **t**he NetApp storage solution has been completed and awaiting final delivery and installation. Exchange production servers have been acquired while the contract for implementation services has been awarded.

- The *Disaster Recovery Plan* project's capital expenditures were $0.802 million or 31.7% of its 2014 approved cash flow of $2.517 million as of May 31, 2014, and is expected to spend 100% of the 2014 approved cash flow funding by year-end. The Business Impact Analyses (BIA) within the City

for its Business Continuity (BC) and Disaster Recovery (DR) plans are progressing. I&T has conducted BC engagement meetings with Solid Waste Management; Policy & Planning, Finance and Administration; and Court Services. I&T has completed several Business Impact Assessments for Divisions including: Internal Audit, Toronto Public Health, Court Services, Toronto Water, Office of Emergency Management, and Parks, Forestry and Recreation.

The under-spending in 2014 is mainly driven by delays in the following projects:

- *Toronto Building Electronic Service Delivery:* As of May 31, 2014, only $0.181 million or 4.8% of the 2014 approved cash flow funding of $3.812 million was spent. It is estimated that expenditures totalling $1.710 million or 44.8% of the approved 2014 cash flow funding will be spent by year-end. The variance is due to delays in purchasing the portal infrastructure and recruiting qualified project resources.
- *Capital Resource Requirements:* I&T has filled 50% of the 58 positions approved as at May 31, 2014 to address I&T's capital delivery capacity issue. Projected under-spending at year-end is $0.979 million as a result of challenges in recruiting resources with the necessary skills.
- *Enterprise Time Attendance and Scheduling Management* project had no expenditure out of its 2014 approved cash flow funding of $4.601 million as of May 31, 2014. The project has been delayed as the RFP is taking much longer to release to market than anticipated. It is estimated that $0.200 million or 4.3% of the approved 2014 cash flow funding will be spent in 2014.
- *Employee Self Serve Portal* project incurred capital expenditures of $0.433 million or 5.8% of its 2014 approved cash flow funding of $7.507 million. The project has been delayed due to RFP and statement of work negotiations. It is estimated that $4.348 million or 57.9% of the approved 2014 cash flow funding will be spent in 2014.

Other City Programs

For the five months ended May 31, 2014, capital expenditures for Other City Programs totalled $4.029 million or 3.5% of their collective 2014 Approved Capital Budget of $115.942 million. Spending is expected to increase to $101.122 million or 87.8% by year-end.

Other City Programs
Five Months 2014 Capital Variance
($ Million)

	Actual to May 31, 2014		Projected 2014 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
City Clerk's Office	(5.1)	18.9	(0.3)	95.2
Sustainable Energy Plan	(21.9)	2.1	(8.0)	64.4
Radio Replacement Project	(26.4)	3.4	(1.4)	94.9
PanAm Games	(57.9)	2.5	(4.4)	92.5
Sub-Total	**(111.2)**	**3.5**	**(9.7)**	**87.8**

The ***City Clerk's Office*** spent $1.183 million or 18.9% of the 2014 Approved Capital Budget of $6.250 million for the period ended May 31, 2014; and projects spending of $5.950 million or 95.2% by year-end.

The rate of spending for the five months of 2014 and projected under spending at year end is attributed to the following:

- The *Enterprise Document and Record Management Solution (EDRMS)* project capital expenditures totaled $0.141 million representing 20.2% of the 2014 approved cash flow of $0.699 million during the five months ended May 31, 2014. This is a multi-divisional project with the City Clerk's Office, Revenue Services and Information and Technology Division as partners. The project is on track and is progressing; however, no purchases of hardware or software are anticipated before 2015. The year to date under spending is a result of vendor resource allocation issue and the project has since been reset as approved by Executive Sponsors. Procurement options are being investigated It is estimated that the project will be fully spent by year-end.
- The *Toronto Elections Information System (TEIS)* project capital expenditures totaled $0.543 million representing 17.6% of the 2014 approved cash flow of $3.092 million during the five months ended May 31, 2014. The project is on track and is progressing in accordance with schedule and deliverables. It is estimated that $2.792 million or 90.3% of the 2014 approved cash flow will be spent by year end.

The Sustainable Energy Plan (SEP) incurred expenditures of $0.469 million or 2.1% of the 2014 Approved Capital Budget of $22.340 million for the period ended May 31, 2014; and projects spending of $14.382 million or 64.4% by year-end.

The Program spent $0.138 million on multi-phase projects that are underway and will be completed on schedule in 2014 including:

- *The Parks Forestry and Recreation Energy Retrofit Projects* incurred capital expenditures of $0.092 million or 61.3% of its 2014 approved cash flow of $0.150 million as of May 31, 2014. It is estimated that 100% of the 2014 approved cash flow funding will be spent by year-end to retrofit 85 City facilities to become more energy efficient.

- The Demand Response Program had no capital expenditures during the five month period ended May 31, 2014. Due to Toronto Water directly funding their enrolment in the Demand Response Program, and Toronto Community Housing Corporation delaying proposals to late 2014 to 2015, the project remains unspent. The Environment and Energy Division will coordinate the reallocation of funding ($0.685 million) for a demand response project for the Kipling Acres Long-Term Care facility. It is expected that the initiation of the Kipling Acres project will result in $0.100 million or 1.3% of the 2014 approved cash flow being spent by year-end

- The *Solar Photovoltaic Program* capital expenditures totalled $0.177 million or 4.1% of the 2014 approved cash flow of $4.348 million during the five month period ended May 31, 2014. It is estimated that $2.078 million or 47.8% of the 2014 approved cash flow will be disbursed for the installation of solar panels. Project delays are expected as a result of longer wait times for application reviews and approvals with the Ontario Power Authority.

- The *Energy Retrofit Projects* had no capital expenditures during the five month period ended May 31, 2014. It is estimated that $0.100 million or 10.0% of the 2014 approved cash flow will be disbursed for various facility upgrades (e.g. Booth Yard, 1652 Keele & Ellesmere Yard, City Arenas and all City Civic Centres). The project is currently experiencing a delay as a result of finalizing project scopes and obtaining agreements with clients and City Divisions.

- The *Renewable Energy Program* capital expenditures totalled $0.055 million or 2.4% of the 2014 approved cash flow of $2.326 million during the five month period ended May 31, 2014. The project is currently experiencing a delay due to coordination with stakeholders and partners. It is estimated that $0.900 million or 38.7% of the 2014 approved cash flow will be disbursed for various microFIT solar photovoltaic and geothermal energy projects. The GeoExchange project's tender came in over budget resulting in a delay and the project completion date moving to 2015.

- The *Residential Energy Retrofit Program (HELP)* had no capital expenditures during the five month period ended May 31, 2014. It is estimated that $1.400 million or 70.0% of the 2014 approved cash flow will be disbursed for residential and multi-residential energy retrofit projects within the City of Toronto. The project experienced lower than expected applications from home owners in some areas. Applications are currently under review.

The ***Radio Communication System Replacement*** project's capital expenditures totalled $0.914 million or 3.4% of its 2014 Approved Capital Budget of $27.269 million for the period ended May 31, 2014; and spending is projected to be $25.877 million or 94.9% by year-end.

Toronto Fire Services is projecting that the site and facility construction, system implementation and acceptance testing on the new radio technology and fire station alerting will be completed by year-end 2014. The project is expected to continue into 2015 to complete the decommissioning of the old system and implementation of the remaining radio system components.

The ***Pan American Games*** project had expenditures of $1.462 million or 2.5% of its 2014 approved cash flow of $59.334 million (including $5.516 million in carry forward funding) during the period ending May 31, 2014; and it is projected that expenditures will be $54.913 million or 92.5% by year-end.

The year-to-date spending rate is largely attributable to the following:

- The *Site Remediation* project's capital expenditures totalled $0.017 million during the period ending May 31, 2014. The process for obtaining Certificates of Property Use (CPU) and Environmental Compliance Approvals (ECA) from the Ministry of the Environment (MOE) is taking longer than anticipated as the agreements with the MOE includes the addition of a two-year post site-remediation monitoring period. It is anticipated that $3.489 million or 91.9% of the approved 2014 cash flow of $3.798 million will be spent by the end of 2014.

- The *Resurfacing of Cycling Course* project had no capital expenditures during the period ending May 31, 2014. Construction on the course began in May 2014 and is expected to be completed by the end of October 2014. It is anticipated that the 2014 approved cash flow of $9.537 million will be under spent by $4.113 million or 43.1% by year-end as a result of lower tender prices for the resurfacing work.

- Projects delivered through the Toronto Organizing Committee for the Pan/Parapan American Games (TO 2015) and Infrastructure Ontario, as well at the *BMX Track* project which is being delivered by the City, are on schedule and it is anticipated that $46.000 million or 100% of the 2014 approved cash flow will be spent by year-end.

Overall, all of the Pan Am capital projects are on track to be completed in time for the Pan Am/Para Pan Am Games, in particular:

- The construction of the *Toronto Pan Am Sports Centre* (formerly PAAC) began in July 2012 and is expected to be completed in July 2014. It is anticipated that $45.100 million or 82.4% of the City of Toronto's funding share of $54.765 million will be spent upon completion.

- The indoor construction for the *Toronto Track & Field Centre* retrofit began in May 2014 and is expected to be completed by September 2014, with the outdoor construction scheduled to start in July 2014 and completed in November 2014. The project remains on budget and on schedule.

- Improvements at the *Nathan Phillips Square* to prepare it as a festival site have been completed on budget.

City Agencies

During the five months ended May 31, 2014, capital expenditures for City Agencies totalled $323.676 million or 15.2% of their collective 2014 Approved Capital Budget of $2.127 billion. Spending is expected to increase to $1.637 billion or 77% by year-end.

Agencies
Five Months 2014 Capital Variance
($ Million)

	Actual to May 31, 2014		Projected 2014 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
Exhibition Place	(12.6)	10.2	(4.7)	66.7
Go Transit	0.0	100.0	0.0	100.0
Toronto And Region Conservation Authority	(7.8)	44.3	0.0	100.0
Toronto Police Service	(47.3)	16.4	(11.2)	80.2
Toronto Public Health	(3.9)	22.8	(0.6)	87.1
Toronto Public Library	(19.8)	38.0	(1.9)	94.0
Toronto Transit Commission	(1,701.6)	13.8	(467.4)	76.3
Toronto Zoo	(7.3)	16.5	(3.4)	60.9
Sub-Total	**(1,800.2)**	**15.2**	**(489.2)**	**77.0**

Exhibition Place incurred expenditures of $1.440 million or 10.2% of its 2014 Approved Capital Budget of $14.085 million for the five months ended May 31, 2014; and spending is projected to reach $9.396 million or 67% of its 2014 Approved Capital Budget by year-end.

The Program spent $1.440 million as of the end of the five months ended May 31, 2014 on the following projects that are on track:

- The *Better Living Centre* project did not incur any expenditures of the 2014 approved cash flow of $0.100 million during the five months ended May 31, 2014. It is estimated that $0.100 million or 100% of the 2014 approved cash flow will be spent by year-end. The project provides 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 $0.631 million representing 100% of the 2014 approved cash flow of $0.631 million during the five months ended May 31, 2014. This project provided various equipment upgrades to the POS inventory management system, accounting software, food and beverage fixtures, and some building repairs and upgrades.

- The *Equipment* project's capital expenditures totalled $0.025 million representing 5.7% of the 2014 approved cash flow of $0.447 million during the five months ended May 31, 2014. It is estimated that $0.447 million or 100% of the 2014 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 $0.031 million or 1.5% of the 2014 approved cash flow of $1.996 million during the five months ended May 31, 2014. It is estimated that $1.600 million or 80% of the 2014 approved cash flow will be spent by year-end. This project provided funding for work on sidewalks, pathways, roads and parking lots. The projects include the Pan Am legacy splash pad in Centennial Square which is no longer feasible as the heritage consultant has advised that Exhibition Place cannot decommission or remove the existing fountain. Accordingly, the approved funds of $0.250 million in 2014 from Exhibition Place contributions will be used in 2015 to rebuild the fountain to meet current safety code requirements.

- The *Pre-Engineering Program* project's capital expenditures totalled $0.078 million or 45.4% of the 2014 approved cash flow of $0.172 million during the five months ended May 31, 2014. It is estimated that $0.172 million or 100% of the 2014 approved cash flow will be spent by year-end.

- The *Grounds Security Surveillance* project's capital expenditures totalled $0.001 million or 1.3% of the 2014 approved cash flow of $0.091 million during the five months ended May 31, 2014. It is estimated that $0.091 million or 100% of the 2014 approved cash flow will be spent by year-end.

- The *Fire Protection System Code Retrofit* project in the *Food Building* did not incur any expenditures of the 2014 approved cash flow of $0.005 million during the five months ended May 31, 2014. It is estimated that $0.005 million or 100% of the 2014 approved cash flow will be spent by year-end.

- The *Air Curtain at Industry Building* project did not incur any expenditures of the 2014 approved cash flow of $0.050 million during the five months ended May 31, 2014. It is estimated that $0.050 million or 100% of the 2014 approved cash flow will be spent by year-end.

- The *Queen Elizabeth Building Executive Offices Roof Replacement* project did not incur any expenditures of the 2014 approved cash flow of $0.450 million during the five months ended May 31, 2014. It is estimated that $0.150 million or 33% of the 2014 approved cash flow will be spent by year-end. Project was delayed as there aren't sufficient construction periods available in 2014 due to shows and events.

- The *Direct Energy Centre* project's capital expenditures totalled $0.405 million or 15.5% of the 2014 approved cash flow of $2.608 million during the five months ended May 31, 2014. It is estimated that $2.250 million or 86% of the 2014 approved cash flow will be spent by year-end. The expenditures incurred as of May 31, 2014 have been incurred for washroom renovations. The final portion of the washroom project is delayed in 2014 due to no continuous availability of construction periods.

- The *District Energy System* project's capital expenditures totalled $0.108 million or 2.6% of the 2014 approved cash flow of $4.216 million during the five months ended May 31, 2014. It is estimated that $1.700 million or 40% of the 2014 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. The project was delayed in 2014 due to the severe cold in early 2014 which slowed the hotel development construction schedule.

- The *Fire Alarm System* project did not incur any expenditures of the 2014 approved cash flow of $1.820 million during the five months ended May 31, 2014. It is estimated that $0.700 million or 38% of the 2014 approved cash flow will be spent by year-end. The project was delayed due to evolving show schedule and a portion of work that cannot be accommodated in 2014 due to the requirements of keeping life safety system in active mode during events.

- The *Pan Am Infrastructure Technical Upgrades* project's capital expenditures totalled $0.162 million or 10.7% of the 2014 approved cash flow of $1.500 million during the five months ended May 31, 2014. It is estimated that $1.500 million or 100% of the 2014 approved cash flow will be spent by year-end.

Toronto and Region Conservation Authority (TRCA) received $6.188 million or 44.3% of its 2014 Approved Capital Budget of $13.970 million from the City of Toronto during the five months ended May 31, 2014.

Of the funds received, $1.666 million was incurred for the *Toronto Remedial Action Plan* project that provides monitoring and re-naturalization of watercourse water quality and habitat improvements; and the *Waterfront Development* project that provides for site preparation and monitoring at various waterfront sites. These projects are on track and are anticipated to be completed by year-end.

The *Critical Erosion Control and Floodwork* project with the 2014 approved cash flow of $7.000 million provides funding for flood control channel maintenance work and addresses the damage to city-wide private and public property caused by the July 8, 2013 storm and includes the following sub-projects.

- The *Flood Control Channel Maintenance* sub-project involves the completion of repairs to an existing drop structure beneath Donino Avenue along the West Don River, and the removal of sediment and vegetation from several priority areas in Black Creek Channel. The capital expenditures for this sub-project totalled $0.013 million or 1.3% of the approved 2014 cash flow of $1 million as of May 31, 2014. As of May 31, 2014 the drop structure work had been completed and the planning phase of the Black Creek channel maintenance work was in progress. Several contractor and consulting invoices have not been processed as of May 31,

2014 and thus are not reflected in the spending reported. It is projected that 100% of the 2014 approved cash flow will be spent by year end.

- The *1 Midland – 83 Fishleigh Drive* sub-project involves the acquisition of erosion hazard lands at 1 Midland Avenue and the protection of 81 and 83 Fishleigh Drive along the Scarborough Bluffs. The capital expenditures for this sub-project totalled $0.044 million or 0.03% of the 2014 cash flow of $1.4 million as of May 31, 2014 and reflect staff time to prepare the initial land acquisition documents to negotiate with the current property owner. With the land acquisition process expected to be completed by December 31, 2014, this sub-project is on target to spend 100% of the approved cash flow by year-end.

- The *Valley Erosion Hazards* sub-project's 2014 approved cash flow is $4.6 million and provides funding for several projects that address hazards arising from the July 8, 2013 storm event, which include:

    - The *Planning and Inspection* sub-project provides for the pre-planning of critical erosion control and floodworks projects, such as the development of workplans and preliminary budgets, and the inspection component provides for the re-inspection of hazard priority sites first identified to TRCA following the July 8th, 2013 storm event. The capital expenditures for this sub-project totalled $0.055 million or 36.7% of the total cash flow of $0.150 million as of May 31, 2014. Monitoring and planning work is ongoing until December 31, 2014 and 100% of the approved cash flow is expected to be spent by year-end.

    - The *111 Whitburn Crescent to 2 Jennifer Court Erosion Damage Restoration* sub-project includes the stabilization of approximately 600 metres of a Black Creek tributary flowing through the Downsview Dells neighbourhood between 111Whitburn Crescent and 2 Jennifer Court, including four large sections of steep valley wall work. The capital expenditures for this sub-project totalled $0.217 million or 10.9% of the approved cash flow of $2 million as of May 31, 2014. The detailed design phase is currently in progress, with construction tentatively scheduled for August 2014 pending the receipt of all necessary approvals. The approved 2014 cash flow is expected to be fully spent by December 31, 2014.

    - The *Phase 2 Detailed Slope Stability and Erosion Risk Assessments* sub-project provides for detailed geotechnical investigations of 72 private properties identified by the preliminary assessments, plus 60 additional properties flagged as priority areas by TRCA inspectors following the July 8, 2013 storm event. The results of these assessments will inform the priorities for critical erosion work in 2015 and beyond. The capital expenditures for this sub-project totalled $0.042 million or 5.2% of approved cash flow of $0.800 million as of May 31, 2014. Several consulting invoices have not been received and/or processed by May 31,

2014, and thus these expenses are not reflected in spending reported above. Completion of this project is expected by August 2014 with 100% of the approved cash flow spent by year-end.

- The *6-22 Northover Street Slope Stabilization* sub-project involves the removal of unstable rear yard structures (fences, decks, sheds) and the stabilization of the upper valley slope to provide long-term protection for nine private properties severely damaged during the July 8, 2013 storm. The capital expenditures for this sub-project totalled $0.009 million or 6.2% of approved cash flow of $0.150 million in 2014 as of May 31, 2014. This funding will allow for the completion of the detailed design of stabilization works, property negotiations and interim measures such as structure removals with implementation of the final solution tentatively scheduled for 2015 pending the receipt of all necessary approvals.

- The *Katrine Drive – Riverhead Drive Slope Stabilization* sub-project involves the removal of unstable rear yard structures (fences, decks, sheds) and the stabilization of the upper valley slope to provide long-term protection twenty-three private properties damaged during the July 8, 2013 storm. The capital expenditures for this sub-project totalled $0.005 million or 0.8% of the approved cash flow of $0.600 million as of May 31, 2014. Due to issues with the quality of the geotechnical investigation completed, the detailed design phase has been significantly delayed, and additional instability has been identified at adjacent properties along Riverhead Drive, requiring the scope of work to be increased and additional planning work to be completed. Currently, the geotechnical data gaps are being addressed and conceptual designs are being developed in-house by TRCA to expedite the remaining 2014 deliverables, which include stabilizing the first phase of highest priority properties at 1 Katrine Road, and 69-61 Riverhead Drive, with the remaining properties to be addressed on a priority basis. It is estimated that 100% of the 2014 approved cash flow will be spent by December 31, 2014.

- The *5 Old Yonge Street, 24 Bennington Heights, and 114 Camborne Avenue Slope Stabilization* sub-projects involve the stabilization of steep valley slopes to provide long-term protection for single private properties. As of May 31, 2014 these projects were not yet started. The 2014 deliverables for these projects include planning, design and construction and it is estimated that 100% of the approve cash flow of $0.840 million will be spent by year-end.

Toronto Police Service spent $9.291 or 16.4% of its 2014 Approved Capital Budget of $56.639 million (including $14.7 million in carry forward funding) for the period ending May 31, 2014; and spending is projected to be $45.438 million or 80.2% by year-end.

Of the funds spent, $7.608 million or 43.9% was incurred for such projects as *Parking East Facility*, *Vehicle Replacement*, *Workstation, Laptop and Printer – Lifecycle Plan* and *Radar Unit Replacement* that have a combined 2014 approved cash flow of $17.315 million. These projects are on track and are anticipated to be completed on budget by year-end with the exception of the *Parking East Facility* project that is expected to be under-spent by $0.600 million due to lower than anticipated cnstruction costs.

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

- The *State of Good Repair* capital project expenditures totalled $0.211 million during the five months ended May 31, 2014. It is anticipated that $4.577 million or 64.2% of the 2014 approved cash flow will be spent by year-end due to staffing shortages and the need to provide considerable support to the IRIS project. The projected year-end under-spending of $2.552 million will be carried forward to 2015.

- The *Property and Evidence Management Facility* capital project expenditures totalled $0.236 million during the five months ended May 31, 2014. Currently this project remains on schedule and within budget with $1.445 million or 64.1% of the 2014 approved cash flow projected to be spent by year-end. The projected year-end under-spending of $0.808 million is due to lower-than-anticipated construction costs. This project will be reviewed for closure at year-end with under-spent funding returned to the City.

- The *Parking East Facility* capital project expenditures totalled $3.250 million during the five months ended May 31, 2014. Currently this project remains on schedule and within budget with $5.688 million or 90.5% of the 2014 approved cash flow projected to be spent by year-end. The projected year-end under-spending of $0.600 million is due to lower than anticipated construction costs. This project will be reviewed for closure at year-end with under-spent funding returned to the City.

- The *52 Division Renovations* capital project had no expenditures during the five months ended May 31, 2014. It is anticipated that $0.050 million or 1.7% of the 2014 approved cash flow of $2.948 million will be spent by year-end since the consultant selection will not occur until the third quarter of 2014. The unspent funding will be carried forward to 2015.

- The capital project expenditures for the *Vehicle & Equipment Lifecycle Replacement* program that includes such projects as *Small Equipment Replacement and Workstation* and *Laptop and Printer Lifecycle Replacement* totalled $5.100 million during the five months ended May 31, 2014. Currently, the projects remain on schedule and within budget with $28.935 million or 83.2% of the 2014 approved cash flow projected to be spent by year-end. The projected year-end under-spending is due to lower than anticipated expenditures for server

and locker replacement and information technology business resumption. This funding will be carried forward to 2015.

Toronto Public Health's (TPH) spent $1.140 million or 22.8% of the 2014 Approved Capital Budget of $4.991 million for the five months ending May 31, 2014; and spending is projected to be $4.345 milion or 87.1% by year end.

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

- The HF/HL System Integration project's capital expenditures totaled $0.174 million representing 35.7% of the 2014 approved cash flow of $0.488 million. The 2014 Approved cash flow is fully comprised of carry forward funding. The project is well underway and it is estimated that $0.488 million or 100% of the 2014 approved cash flow will be spent by year-end.

- The Web re: Brand project's capital expenditures totalled $0.078 million representing 25.8% of the 2014 approved cash flow of $0.303 million. The project is on schedule and it is estimated that $0.303 million or 100% of the 2014 approved cash flow will be spent by year-end.

- The Infectious Disease Control Information System project's capital expenditures totalled $0.337 million representing 49.1% of the 2014 approved cash flow of $0.688 million. The project is on schedule and it is estimated that $0.688 million or 100% of the 2014 approved cash flow will be spent by year-end.

- The Healthy Environment Inspection System project's capital expenditures totalled $0.093 million representing 13.8% of the 2014 approved cash flow of $0.677 million. The project is on schedule and it is estimated that $0.677 million or 100% of the 2014 approved cash flow will be spent by year-end.

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

- The HF/HL Point of Care project's capital expenditures totalled $0.454 million representing 20.3% of the 2014 approved cash flow of $2.234 million. Due to delays in purchasing and testing mobile devices, it is estimated that $1.771 million or 79.3% of the approved 2014 cash flow will be spent by year-end.

- The CDC Wireless Rollout project's capital expenditures totalled $0.003 million representing 0.5% of the 2014 approved cash flow of $0.602 million. There were delays in hiring of the project team in 2014, deferring the completion of the TB Directly Observed Therapy (DOT). Capital spending is projected to reach $0.419 million or 69.6% of the approved 2014 cash flow by year-end.

Toronto Public Library (TPL) spent $12.132 million or 38% of its 2014 Approved Capital Budget of $31.900 million for the five months ending May 31, 2014; and spending is projected to be $29.983 million or 94% by year-end.

The following projects are on track, and the 2014 cash flow will be fully spent by year end:

- The Scarborough Civic Centre Neighbourhood Construction project's capital expenditures totalled $1.096 million representing 22.2% of the 2014 Approved cash flow of $4.936 million during the five months ended May 31, 2014. Construction is proceeding according to schedule. The branch is expected to open in spring 2015. It is estimated that $4.936 million or 100% of the 2014 Approved cash flow will be spent by year-end.

- The Fort York Library Construction project's capital expenditures totalled $1.160 million, representing 43.3% of the 2014 Approved cash flow of $2.679 million. The branch opened in May 2014 with work expected to be completed on schedule. It is estimated that $2.679 million or 100% of the 2014 Approved cash flow will be spent by year-end.

- The Self Service Circulation project's capital expenditures totalled $1.304 million representing 91.1% of the 2014 Approved cash flow of $1.431 million. The 2014 Approved cash flow is fully comprised of carry forward funding from 2013. The work is proceeding according to schedule. It is estimated that $1.431 million or 100.0% of the 2014 Approved cash flow will be spent by year-end.
- The Library Processing Centre Relocation project's capital expenditures totalled $2.359 million representing 37.1% of the 2014 Approved cash flow of $6.361 million. Construction is proceeding according to schedule. It is estimated that $6.361 million or 100% of the 2014 Approved cash flow will be spent by year-end.

- The Multi Branch Minor renovation project's capital expenditures totalled $2.290 million or 54.1% of the 2014 Approved cash flow of $4.228 million. It is estimated that $4.228 million or 100% of the 2014 Approved cash flow will be spent by year-end as the expenditures are expected to be incurred later in the year.

The projected under-spending is mainly attributed to delays in the *Albion Library Renovation* project with total capital expenditures of $0.059 million representing 3.6% of the 2014 approved cash flow of $1.620 million. Issues in securing site plan approval are expected to delay the start of construction into 2015. A budget adjustment re-allocating $1.400 million in cash flow funding between *Albion Library Renovation* project and *Multi-Branch Renovation* project that is ahead of schedule is shown in Appendix 2. As a result, it is estimated that $0.220 million or 13.6% of the 2014 approved cash flow will be spent by year-end.

Toronto Transit Commission (TTC) *(including Toronto-York Spadina Subway Extension (TYSSE) and Scarborough Subway Extension)* capital expenditures for the four month

period ended May 3, 2014 totalled $272.049 million or 13.8% of the 2014 Approved Capital Budget of $1.974 billion (including additional carry forward funding of $197.7 million for the Base Capital Program and $150.0 million for TYSSE). Spending is projected to be $1.506 billion or 76.3% by year-end.

The 2014 phase of the following multi-phase projects are on track for these projects that are planned to be completed in future years:

- The *Easier Access* project's capital expenditures totalled $3.7 million representing 16.8% of the 2014 approved cash flow of $22.0 million during the four months ended May 3, 2014. It is estimated that $20.5 million or 93.2% of the 2014 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. To date, elevators were opened at St. Andrew and Pape Stations with Dufferin Station elevators to be completed in 2014. Other station construction currently under-way is expected to be completed by 2016.

- The *Fire Ventilation Upgrade* project's capital expenditures totalled $6.5 million representing 20.2% of the 2014 approved cash flow of $32.0 million during the four months ended May 3, 2014. It is estimated that $30.5 million or 95.0% of the 2014 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.

- The *Toronto Rocket Yard and Storage Track Accommodation* project's capital expenditures totalled $11.0 million representing 30.1% of the 2014 approved cash flow of $36.5 million (including a decrease in carry forward funding of $2.1 million) during the four months ended May 3, 2014. Project spending is higher than planned during this period and it is estimated that $37.0 million or 101.4% of the 2014 approved cash flow will be spent by year-end. This is due to a revised delivery schedule of trainsets as a result of manufacturing technical issues in 2013. 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.

    - It is recommended that the TTC identify either scope reductions or reallocations from other projects to ensure cash flow does not exceed the 2014 Approved Capital Budget and report back prior to year-end with any changes that require Council authority.

- The *Leslie Barns LRT Maintenance and Storage Facility* project's capital expenditures totalled $32.4 million representing 26.3% of the 2014 approved cash flow of $123.2 million (including a decrease in carry forward funding of $10.1 million) during the four month period ended May 3, 2014. Project spending is higher than planned during this period and it is estimated that $133.3 million or 108.2% of the 2014 approved cash flow will be spent by year-end. The estimated spending at year-end involves extensive utility work including relining or replacing existing storm and sanitary sewers and replacing the existing water main. During the four month period ended May 3, 2014, significant progress was

made at the main facility with the site nearing completion, with the exception of ongoing utility work under Leslie Street Connection Track.

  - It is recommended that the TTC identify either scope reductions or reallocations from other projects to ensure cash flow does not exceed the 2014 Approved Capital Budget and report back prior to year-end with any changes that require Council authority.

The rate of spending for the four-month period ended May 3, 2014 reflects delays in the following projects:

- The *Automatic Train Control* (*ATC) Resignalling* project's capital expenditures totalled $9.7 million representing 9.6% of the 2014 approved cash flow of $101.6 million (including additional carry forward funding of $14.0 million) during the four months ended May 3, 2014. Project spending is lower than planned in this period and it is estimated that $68.4 million or 67.3% of the 2014 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. Progress has been made on the Union Station interlocking installation and fitting of ATC equipment to the new Toronto Rocket trains. The projected under spending at year-end is due to the Computer Based Interlocking contract which may be deferred into 2015. Otherwise, this project is on track.

- The *Purchase of Streetcars* project's capital expenditures totalled $1.9 million representing 1.0% of the 2014 approved cash flow of $197.4 million (including additional carry forward funding of $61.7 million) during the four months ended May 3, 2014. Project spending is lower than planned in this reporting period and it is estimated that $135.3 million or 68.5% of the 2014 approved cash flow will be spent by year-end. This is due to the revised vehicle delivery schedule that has resulted in changes to milestone payments, escalation and applicable sales taxes. Accordingly, vehicle deliveries to Toronto and associated commissioning activities for the new streetcars will commence in the second quarter of 2014. Program efforts are underway to ensure a smooth launch and transition to the new fleet for TTC customers.

- The *Toronto-York Spadina Subway Extension* project's capital expenditures totalled $52.3 million representing 7.7% of the 2014 approved cash flow of $677.5 million (including additional carry forward funding of $150.0 million) during the four months ended May 3, 2014. Project spending is lower than planned in this reporting period and it is estimated that $419.5 million or 61.9% of the 2014 approved cash flow will be spent by year-end. The work on the six stations is advancing at different paces with three of the stations, York University, Steeles West (Pioneer Village) and Hwy 407 currently behind schedule. The progress at these stations poses significant schedule challenges to the overall project. Efforts are underway with the contractors to improve schedule performance.

Toronto Zoo incurred expenditures of $1.436 million or 16.5% of its 2014 Approved Capital Budget of $8.700 million for the five months ended May 31, 2014; and spending is projected to reach $5.300 million or 60.9% of its 2014 Approved Capital Budget by year-end.

The Program spent $1.436 million as of the end of the five month period ending May 31, 2014 on the following projects that are on track:

- The *Exhibit Refurbishment* project did not incur any capital expenditures against the 2014 approved cash flow of $0.300 million during the five months ended May 31, 2014. It is estimated that $0.300 million or 100% of the 2014 approved cash flow will be spent by year-end. The Invertebrate House refurbishment is expected to be completed in Q3, 2014;

- The *Information Systems* project's capital expenditures totalled $0.005 million representing 11.4% of the 2014 approved cash flow of $0.447 million during the five months ended May 31, 2014. It is estimated that $0.447 million or 100% of the 2014 approved cash flow will be spent by year-end. The CRM project is in progress and billings are expected to be received in Q2 and Q3. Customer facing enhancements, including digital signage and intercom system are expected to be completed by September 30, 2014;

- The *North Zoo Site – Eurasia* project's capital expenditures totalled $0.516 million representing 62.7% of the 2014 approved cash flow of $0.822 million during the five months ended May 31, 2014. It is estimated that $0.822 million or 100% of the 2014 approved cash flow will be spent by year-end. Phase II Eurasia Wilds construction is expected to be completed by September 30, 2014;

- The *Building and Services* project's capital expenditures totalled $0.348 million representing 54.7% of the 2014 approved cash flow of $0.637 million during the five months ended May 31, 2014. It is estimated that $0.637 million or 100% of the 2014 approved cash flow will be spent by year-end. High voltage equipment replacement is completed. Lion Tail Macaque roof replacement and new cooling towers in the Education/Retail complex are underway with an expected completion by September 30, 2014;

- The *Giraffe House Transition (Old Elephant House)* project's capital expenditures totalled $0.493 million representing 47.2% of the 2014 approved cash flow of $1.045 million during the five months ended May 31, 2014. It is estimated that $1.045 million or 100% of the 2014 approved cash flow will be spent by year-end. Construction is in progress at the Old Elephant House with expected completion by September 30, 2014;

- The *Giraffe House Transition (Old Giraffe House Site)* project did not incur any capital expenditures against the 2013 approved cash flow of $0.500 million during the five months ended May 31, 2014. It is estimated that $0.500 million or 100%

of the 2014 approved cash flow will be spent by year-end. Construction is expected to be completed by December 31, 2014;

- The *Giraffe House Transition (New Hoofstock)* project did not incur any expenditures of the 2014 approved cash flow of $0.500 million during the five months ended May 31, 2014. It is estimated that $0.500 million or 100% of the 2014 approved cash flow will be spent by year-end. Demolition of the existing Giraffe House and construction of a new Hoofstock House has been pending relocation of the giraffes to the old elephant exhibit. The new Hoofstock House is expected to be completed by December 31, 2014;

- The *Grounds & Visitor Improvements* project's capital expenditures totalled $0.017 million representing 5.6% of the 2014 approved cash flow of $0.300 million during the five months ended May 31, 2014. It is estimated that $0.300 million or 100% of the 2014 approved cash flow will be spent by year end. Updated way finding signage, new turnstile and new flags at the front entrance are scheduled for Q2 and Q3. Updates to the building audit and site services plan is in progress with expected completion by December 31, 2014;

- The *Wildlife Health Centre* project's capital expenditures totalled $0.011 million representing 0.3% of the 2014 approved cash flow of $4.140 million during the five months ended May 31, 2014. It is estimated that $0.750 million or 18.1% of the 2014 approved cash flow will be spent by year-end. Modifications have been made to the plan to ensure compliance with the Revised Toronto Green Standard. Tender was issued in June and construction is expected to begin in October 2014, resulting in minimal spending in 2014 and therefore a significant carry forward to 2015. The project is expected to be completed by December 31, 2017.

Sony Centre for the Performing Arts did not incur any capital expenditures for the period ended May 31, 2014. Spending is projected to be $2.179 million or 88.3% of the 2014 approved cash flow of $2.469 million by year-end.

The following projects are on track and will be completed by December 2014:

- The *Sony Centre Public Plaza* project ($1 million) located on the north-west side of the centre will commence in the summer after the completion of the condominium development and is expected to be completed by year-end.

- The *Heritage Easement Agreement* project ($0.740 million) includes paver upgrades surrounding the centre. This sub-project will commence in the summer and is on track for completion by December 2014.

- The Upgrades *to the Permanent Assets* project ($0.264 million) includes canopy and stage upgrades, as well as electrical and wiring work. The project has an expected completion date of December 2014.

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

- The *Exterior Limestone & Granite Upgrades* sub-project's capital expenditures totalled $0 of the 2014 approved cash flow of $0.265 million, with spending projected to be $0.075 million or 28.3% of plan by year-end. Expected under-spending of $0.190 million is attributed to delays in the completion of the condominium development.

- The *East Side Restoration* sub-project's capital expenditures totalled $0 of the 2014 approved cash flow of $0.200 million, with spending projected to be $0.100 million or 50% of plan by year-end. The completion of this sub-project is contingent upon the removal of the temporary dressing room trailers located on the east side of the Centre.

Rate Supported Programs

For the five months ended May 31, 2014, Rate Supported Programs' capital expenditures totalled $140.149 million or 17.8% of their collective 2014 Approved Capital Budget of $788.464 million. Spending is expected to increase to $615.979 million or 78.1% by year-end.

Rate Supported Programs
Five Months 2014 Capital Variance
($ Million)

	Actual to May 31, 2014		Projected 2014 Year-End Spending	
	Over/(Under)	% of Budget	Over/(Under)	% of Budget
Toronto Parking Authority	(65.1)	8.3	(34.5)	51.4
Solid Waste Management Services	(94.4)	9.2	(50.1)	51.8
Toronto Water	(488.8)	20.3	(87.9)	85.7
Sub-Total	**(648.3)**	**17.8**	**(172.5)**	**78.1**

Toronto Parking Authority (TPA) spent $5.909 million or 8.3% of its 2014 Approved Capital Budget of $71.009 million for the period ended May 31, 2014. The rate of spending for the first five months of 2014 reflects the fact that SOGR projects (approximately $16,604 million or 23% of the total) tend to start later in the spring when weather conditions are more favourable. There are also delays attributed to a need to complete studies and site assessments for some of the already identified sites, as well as delays in implementation of joint venture projects.

It is anticipated that some of these delays will be resolved later in 2014, resulting in a projected spending of $36.494 million or 51.4% of the 2014 Approved Capital Budget by year-end. However, approximately 11 projects totalling $37.125 million or 44.6% of the 2014 Approved Capital Budget are expected to be delayed to future years, mostly 2015 and 2016, due to the unavailability of appropriate sites for off-street parking facilities and delays in on-going negotiations with joint venture partners, most notably the King/Spadina Re-Investment Area project and Addition of 2 levels at Carpark 1 at 20 Charles Street.

In 2014, Toronto Parking Authority identified a need to provide additional parking in the Bathurst/Lawrence West area and the Mimico/Lakeshore Boulevard area, as well as to offset lost on-street parking spaces along Eglinton Avenue due to the construction of the Eglinton Light Rapid Transit line. The required additional funding of $3.6 million will be reallocated from underspent projects as shown in Appendix 2.

Solid Waste Management Services' (SWMS) capital expenditures for the 5 months ending May 31, 2014 totalled $9.546 million or 9.2% of the 2014 Approved Capital Budget of $103.942 million. It is projected that $53.852 million or 51.8% of the 2014 Approved Capital Budget will be spent by year-end.

Of the funds spent by the end of the May, $6.462 million was spent on the following projects that are generally on track for planned completion in 2014 or future years as noted:

- The *Disco SSO Processing Facility* project's expenditures totalled $3.546 million or 30% of the 2014 approved cash flow of $11.848 million. This project has experienced design, award and wet weather delays. Ramp-up of SSO processing began in late 2013 with project completion expected in September 2014. Commissioning is almost complete. Spending is projected to be $11.848 million or 100% by year-end with project completion.
- The *Transfer Station Asset Management* project expenditures totalled $2.211 million or 16% of the 2014 approved cash flow of $13.873 million. Spending is underway for various state of good repair projects such as roofing, paving, drainage systems, sprinkler systems and repairs to tipping floors. Some under-spending has been caused by delays in the purchase of equipment, cold weather and work plan reviews. Spending is projected to be $12.759 million or 92% for 2014. Required funding will be carried forward to complete projects in 2015.
- Multi-year Diversion Systems projects for the *Replacement Waste Bins-Single Family, Multi-Unit SSO bins and Recycling Upgrades and the project for TCHC SSO Implementation* had combined spending of $0.701 million or 17.3% of the 2014 combined approved cash flow of $4.057 million. Spending for 2014 is projected to be 100% by year-end. Completion of current commitments is expected as follows: *Replacement Waste Bins-Single Family* (2017), *Multi-Unit SSO bins* (2016) *and Recycling Upgrades* (2016) *and the project for TCHC SSO Implementation* (2015).

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

- The Diversion Systems project for *Replacement of Single Unit Home SSO Containers* project will be under-spent by $20.470 million with no spending anticipated in 2014. Initial bids were unsuccessful for this project delaying expenditures. A reissued RFP for the project has now closed with delivery projected to start in late 2015. The required cash flow plan has therefore been revised and included in the 2015-2024 Capital Plan submission. *A budget transfer of $0.708 million recommended in this report will move funding from this project*

to fund the required purchase of replacement first generation SSO bins in 2014 and is included in the appendix to this variance report.

- The *Green Lane Landfill Development* project will be under-spent by $6.959 million. The project's expenditures total $1.039 million or 6.1% of the 2014 approved cash flow of $17.095 million. It is estimated that $10.137 million or 59.3% of the 2014 approved cash flow will be spent by year-end. Capital activities for leachate control, gas control, cell construction and ancillary facilities are delayed mainly due to design revisions, previous cold weather impacts, quality control issues with contractor work. Under-spending is also driven by unused contingency funding. Buffer land acquisitions totalling $1.5 million are not expected to occur as planned in 2014.

- The *Dufferin SSO Processing Facility* project will be under-spent by $5.958 million. The project's capital expenditures were $0.169 million or 2.6% of the 2014 approved cash flow of $6.568 million. It is estimated that $0.610 million or 9.3% of the 2014 approved cash flow will be spent by year-end. An RFP has been drafted to hire a contractor to design-build and operate the expanded facility with 70% of this work completed including engineering studies and preliminary design. The legal dispute involving a sublicense of patented technology with the technology provider/ former operator has been resolved and is in the approval process. As a result, release of the RFP, facility expansion and project completion will be delayed by one year to 2017.

- The *Construction of Biogas Utilization Infrastructure* project at Disco and Dufferin SSO Facilities will be under-spent by $4.895 million in 2014. The project had no spending as of May 2014. The 2014 approved cash flow of $5.035 million is estimated to be $0.140 million or 2.8% spent by year-end. Completion is still estimated to be in 2017 with a RFP for construction at the end of 2014. Actual facility construction at Disco will occur mid 2015. Construction at Dufferin will coincide with the Dufferin Expansion in 2017.

- The *Dufferin Single Stream Recycling Facility* project will be under-spent by $4.270 million. The project's expenditures total $0.044 million or 1% of the 2014 approved cash flow of $4.558 million. It is estimated that $0.288 million or 6.3% of the 2014 approved cash flow will be spent by year-end. Planned capital activities at the facility initially encountered unanticipated delays to meet contractual tonnage obligations. It has since been determined that the Dufferin operating contract will not be renewed with a study underway to determine alternate uses for the facility. Spending to year-end is mainly for trailer rental for staff that were displaced and expansion of the sprinkler room.

- The *Perpetual Care Of Landfills* project will be under-spent by $3.620 million. The project incurred capital expenditures of $1.266 million representing 12.7% of its 2014 approved cash flow of $10 million. It is estimated that $6.380 million or 63.8% of the 2014 approved cash flow will be spent by year-end. Remedial work at the 4 priority landfills concerning landfill gas migration will be initiated this year and completed in 2017. The RFP for engineering consultants to review the conceptual plan is still in process.

- The IT Corporate Initiatives project had spending of $0.004 million or 0.4% of the total 2014 approved cash flow of $1.021 million. The *Work Management System* sub-project for $0.758 million is projected to be 81% spent at year-end. Other sub-projects including the SWMS Web Refresh and the Financial Systems Integration – 2014 are currently on hold pending further review. Spending for the overall project is projected to be 73% or $0.747 million by year-end.

Toronto Water spent $124.693 million or 20.3% of the 2014 Approved Capital Budget of $613.513 million for the period ended May 31, 2014. This level of spending is consistent with project schedules for the construction of water infrastructure.

Toronto Water incurred a majority of the year-to-date spending for the following large multi-year projects:

- *Automated Meter Replacement (AMR) Program* ($17.466 million or 37% of the 2014 Approved Capital Budget of $47.418 million).
- *Basement Flooding Relief Projects* ($11.350 million or 18% of the 2014 Approved Capital Budget of $63.961 million)
- *Rehabilitation and Replacement of Linear Infrastructure for Water and Sewers projects* ($46.206 million or 21% of the 2014 Approved Capital Budget of $224.798 million).
- *Transmission & Storage Facilities* ($12.998 million or 37% of the 2014 Approved Capital Budget of $35.414 million).
- *Improvements at Ashbridges Bay Treatment Plant* which include the upgrade of primary treatment process and standby power generation ($16.417 million or 28% of the 2014 Approved Capital Budget of $58.872 million).
- *Wet Weather Flow Master Plan* including transfers to the Toronto Region and Conservation Authority ($5.653 million or 14% of the 2014 Approved Capital Budget of $41.613 million).
- *Improvements at Highland Creek Treatment Plant* which include the bio-solids treatment upgrades and odour control upgrades ($4.391 million or 17% of the 2014 Approved Capital Budget of $26.464 million)

Toronto Water is projecting spending of $525.633 million or 85.7% by year-end. The projected year-end spending rate meets the Rate Model completion rate target for 2014 of 85% for projects funded from the Toronto Water Capital Financing Reserve.

In 2014, significant progress will continue to be made on state of good projects to address infrastructure renewal such as watermain and sewer rehabilitation; the Highland Treatment Plant upgrades; and implementation of the Wet Weather Flow Master Plan and Basement Flooding Relief project. These projects are expected to meet or exceed the targeted spend rate of 85%. Toronto Water will continue to facilitate the New Service Connections projects for development projects and is on schedule with the Water Meter Replacement Program. These projects are expected to have a spend rate of 100%.

Toronto Water is forecasting underspending in several planned projects due to complexities with engineering and design which led to delayed tendering and awarding of

the associated contracts and/or delays associated with on-site work coordination. These projects include:

- *Sewer Replacement and Waterfront Projects* ($35.662 million or 56% of the 2014 Approved Capital Budget of $63.261 million)
- *Trunk Sewer and Pumping Station Rehabilitation* ($16.387 million or 79% of the 2014 Approved Capital Budget of $20.844 million)
- *Business & Process Control System Improvements* ($7.844 million or 76% of the 2014 Approved Capital Budget of $10.314 million)
- *Facility improvements to RL Clark Treatment Plant, Island Treatment Plant and RC Harris Treatment Plant* ($10.902 million or 74% of the 2014 Approved Capital Budget of $14.690 million)

    - In order to accommodate spending on some of the projects anticipated to proceed at accelerated schedules, Toronto Water is requesting 2014 budget adjustments detailed in a stand-alone accompanying report entitled "Toronto Water 2014 Budget Adjustments and Accelerations / Deferrals".