REPORT FOR ACTION

2022 Capital Works Program – Year End Report

Date: March 21, 2023
To: The Board of Governors of Exhibition Place
From: Chief Executive Officer
Wards: All

SUMMARY

This year-end report provides an update to the Board on the final progress of the 2022 Capital Works Program. The 2022 Capital Works Program budget consists of two parts totalling $19,205,143.

1) The “State-of-Good-Repair” ("SOGR") 2022 program with a revised budget of $17,315,000 (Items 1 to 34 - Table 1 - Appendix A); and

2) The 2021 total cash flow carry forward from prior year of $1,890,143 (Items 35 to 61 - Table 2 - Appendix A).

A cash flow carry forward is defined in this report as the combination of unspent mostly committed costs from prior year through signed contracts and agreements, and any surplus from the above SOGR program projects.

RECOMMENDATIONS

The Chief Executive Officer recommends that:

1. The Board receive this report for information.

FINANCIAL IMPACT

There is no financial implication arising from this report.

DECISION HISTORY

The Exhibition Place 2022-2026 Strategic Plan has a goal to Solidify Position as a Leading Convention and Event Space, and as a strategy we will protect and spotlight our assets to ensure that our State-of-Good Repair plan and processes are adequately linked to our capital plan.

At its meeting of September 28, 2021, the Board approved the 2022 Capital Works Program budget. An amended version of this budget was subsequently adopted by City Council at its meeting on February 17, 2022.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EP19.2

COMMENTS

Originally, both the Board and City Council approved the 2022 SOGR Capital Program Budget of $20,005,000. But after the initial Council approval in 2022, City Financial Planning Department provided instructions to further reduce the budget by $2,690,000. Thus, the revised 2022 Capital Budget was reduced to $17,315,000; (Table 1 - Appendix A), almost all of which have been fully committed through various agreements, contracts, and quotations received to date.

The cash flow carry forward for 2022 (budget minus actual spent) to 2023 is $9,379,606 ($17,315,000 - $7,935,394) which is the unspent (work not completed in 2022) portion of the committed cost. The total 2021 cash flow carry forward to 2022 of $1,890,143 (Table 2- Appendix A) was fully spent in 2022.

In summary, the 2022 total Capital Budget was $19,205,143; inclusive of 2021 carry forward (Table 1 + Table 2). Year 2022 total commitment rate is 99% ($14,228,476 excluding soil remediation budget of $4,800,000) while actual completion spend rate was 68% ($9,825,537). Lower spend rate is due to supply chain issues with the delivery of high voltage electrical equipment, switch gears and transformers (delivery schedule is between 37 to 48 weeks). Also, soil remediation budget was not fully utilized in 2022 as a result of delays with the Hotel Phase 2 Development. According to the lease agreement, Exhibition Place is responsible to provide funding for the soil remediation work to facilitate the Phase 2 development.

The remaining unspent amount of $9,379,606 will be carried forward to 2023 which includes soil remediation budget (Table 1 in Appendix A).

CONTACT

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SIGNATURE

Don Boyle
Chief Executive Officer

ATTACHMENTS

Appendix A - 2022 Capital Works Program - Year End Report