



STAFF REPORT ACTION REQUIRED

10.

2014 - 2023 Capital Budget and Plan Submission – Revised

Date:	October 21, 2013
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to request approval of the revised 2014 - 2023 capital budget and plan submission of \$26.925 million gross (\$13.230 million debt) for 2014 and \$242.841 million gross (\$154.465 million debt) over 2014 - 2023. The revised capital budget and plan submission meets City debt targets.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the revised 2014 - 2023 capital budget and plan submission of \$26.925 million gross (\$13.230 million debt) for 2014 and \$242.841 million gross (\$154.465 million debt) over 2014 - 2023, which meets City debt targets, as detailed in Attachment 1.

FINANCIAL IMPACT

The 2014 - 2023 capital budget and plan submission is being increased by \$1.990 million gross in 2014 and by \$1.030 million gross over 2014-2023, which reflects the re-allocation of cash flows to 2014 from future years. There is no net change to the annual debt funding which meets City targets.

Details of the revised capital budget and plan request of \$26.925 million gross (\$13.230 million debt) for 2014 and \$242.841 million gross (\$154.465 million debt) over 2014 - 2023 are presented in Attachment 1.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

DECISION HISTORY

The original 2014 - 2023 capital budget and plan submission, which met City debt targets, consisting of \$24.935 million gross (\$13.230 million debt) for 2014 and \$241.811 million gross (\$154.465 million debt) over 2014 - 2023, was approved by the Board at its meeting on June 24, 2013.

COMMENTS

Library staff met with the City Manager and City finance staff throughout the summer to review the Library's 2014 - 2023 capital budget and plan submission. Five capital budget adjustments will result in an increase of \$1.990 million gross in 2014 and \$1.030 million gross over 2014-2023, with no change in net annual debt funding. The budget adjustments are summarized below:

2014-2023 CASH FLOWS - GROSS (\$000s)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL
Original Submission	24,935	20,672	23,076	26,697	21,419	27,795	21,435	22,606	29,647	23,529	241,811
Adjustments:											
Multi-Branch Renovation Project	963	(107)	(107)	(107)	(107)	(107)	(107)	(107)	(107)	(107)	-
Library Processing Centre Relocation to Ellesmere		795									795
Bendale Improvements - Multi-Branch Renovation		82									82
Pan Am Games	150	3									153
subtotal	1,990	(104)	(107)	1,030							
Revised Submission	26,925	20,568	22,969	26,590	21,312	27,688	21,328	22,499	29,540	23,422	242,841

2014-2023 CASH FLOWS - DEBT (\$000s)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL
Original Debt Submission	13,230	14,450	15,238	16,065	16,933	16,933	16,933	16,933	15,750	12,000	154,465
Adjustments:											
TAMP	(900)	100	100	100	100	100	100	100	100	100	-
Multi-Branch Renovation Project	900	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	-
subtotal	-	-	-	-	-	-	-	-	-	-	-
Revised Debt Submission	13,230	14,450	15,238	16,065	16,933	16,933	16,933	16,933	15,750	12,000	154,465

Technology Asset Management Program (TAMP)

For the TAMP project, \$0.900 million debt funding is being re-allocated from 2014 to \$0.100 million per year over 2015 to 2023. This capital budget adjustment does not affect the gross funding and reflects changes already made to the operating impact in the 2014 operating budget submission.

Multi-Branch Renovation

For Multi-Branch, \$0.100 million of annual debt funding from the years 2015 to 2023 is being replaced by a \$0.900 million debt increase in 2014. Because of associated development charges, \$0.107 million of annual gross funding from the years 2015 - 2023 is being replaced by a \$0.963 million gross increase in 2014. The additional funding in 2014

will be used in part to address long-standing flooding issues in the lower level of Richview Branch that did experience extensive damage in the July 2013 floods.

Library Processing Centre Relocation to 1076 Ellesmere

The cost of the Library Processing Centre project has increased by \$0.795 million due to soil conditions identified during pre-construction testing requirements, which have to be remediated before construction starts at the Ellesmere site. These costs will be funded from an additional allocation from the Land Acquisition Reserve Fund in 2014, bringing the total cost for this project to \$10.725 million gross (\$0 debt).

Bendale Improvements - Multi-Branch Renovation

On July 16, 2013 City Council approved a motion to allocate funds of \$0.082 million from the Land Acquisition Reserve Fund for a reading garden and other improvements to the Bendale Library. The funds have been added to the 2014 Multi-Branch project cash flow with no impact on debt.

Pan Am Games

On July 16, 2013 City Council endorsed the Toronto 2015 Pan American / Parapan American Games Host City Showcase Program, which includes \$0.150 million gross (\$0 debt) in 2014 and \$0.003 million gross (\$0 debt) in 2015 for the Library's Spectator Jam program, funded from the Major Special Event Reserve Fund. This initiative will provide space at Library facilities for neighbourhood participation and community engagement during the Games, which include large outdoor screens for collective viewing, live entertainment and vendor markets. The gathering spaces will extend the concept of the Library as the community's living room and will provide an opportunity for broader neighbourhood participation in the Games.

CONCLUSION

The revised capital budget request of \$26.925 million gross (\$13.230 million debt) for 2014 and \$242.841 million gross (\$154.465 million debt) over 2014 - 2023, as detailed in Attachment 1, meets the annual City debt targets.

CONTACT

Larry Hughsam; Director, Finance & Treasurer; Tel: 416-397-5946; Fax: 416-393-7115;
Email: lhughsam@torontopubliclibrary.ca

SIGNATURE

Jane Pyper
City Librarian

ATTACHMENTS

Attachment 1: Revised 2014 - 2023 Capital Budget and Plan Submission – Gross and Debt Funding