

Toronto Public Library Board – Budget Committee
Meeting No. 3: Monday, July 28, 2014, 5:35 p.m. – 8:50 p.m.
Toronto Reference Library, Board Room, 789 Yonge Street, Toronto

Committee Members Present:

Mr. Michael Foderick
Mr. Cameron MacKay
Mr. Kevin McGuire

Regrets:

Councillor Sarah Doucette
Councillor Jaye Robinson

BC Call to Order

14-025 Cameron MacKay, Chair, called the meeting to order at 5:35 p.m.

BC Declarations of Conflicts of Interest

14-026 There were no *Declarations of Conflicts of Interest* by members of the Budget Committee at the July 28, 2014 meeting.

BC Approval of Agenda

14-027 *Moved by M. Foderick:*
That the Budget Committee approves the agenda as revised to:
1. add a 2015 Operating Budget verbal update.

Carried

BC Approval of June 3, 2014 Budget Committee Meeting Minutes

14-028 *Moved by M. Foderick:*
That the Budget Committee:
1. approves the June 3, 2014 Budget Committee Meeting Minutes.

Carried

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BC Business Arising from the Minutes

14-029 There were no *Business Arising from the Minutes* items at the July 28, 2014 Budget Committee meeting.

BC Communications

14-030 There were no *Communications* items at the July 28, 2014 Budget Committee meeting.

BC Presentations

14-031 There were no *Presentations* at the July 28, 2014 Budget Committee meeting.

Item for Information:

BC 2015 Operating Budget Update

13-032 Larry Hughsam, Director, Finance and Treasurer provided information to update the Board regarding the 2015 operating budget, including:

- a. the preparation of the 2015 operating budget submission is in the draft phase; staff continue to look for savings;
- b. there are no substantive changes to the budget or the process since the *2015 Operating and Capital Budgets Targets* report to the Committee at the June 3, 2014 meeting.

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Items for Approval:

BC 2015 – 2024 Capital Budget and Plan Submission

13-033 Larry Hughsam, Director, Finance & Treasurer, provided the Board with an overview of the Library's 2015 - 2024 capital budget and plan submission.

Committee Decision

The Budget Committee adopted the following:

Moved by M. Foderick:

That the Budget Committee:

1. *recommends that the Toronto Public Library Board requests the City to adjust the 2015 operating budget target to recognize the second year impact of \$0.763 million in 2015 for the additional operating costs associated with the operations of the new Fort York and Scarborough Civic Centre branches;*
2. *recommends that the Toronto Public Library Board takes the position that there should be no “discount rate” for development charges due to the projected large development charge surplus even with the discount rate applied (notwithstanding the conservative assumptions of the background study);*
3. *requests staff to report back to the Budget Committee on a cost estimate to obtain a very simple opinion by Hemson (author of the development charges background study), or another reputable firm to support the position that the 10% discount rate is unnecessary;*
4. *requests staff to reformat a draft State of Good Repair budget to separate out:*
 - a. *those State of Good Repair items necessary in order to keep the branch functional and open to the public in a safe way;*
 - b. *those items that are upgrades to improve a branch's appearance or functionality, but are not necessary for the branch to continue operating;*
 - c. *those items that are accessibility upgrades not absolutely required by law (which would fall into category “a”, above);*
5. *requests staff to report back to the Budget Committee on the feasibility of reallocating from one capital budget line item to another (possibly through TAMP) to offset operating budget pressures;*

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2015 – 2024 Capital Budget and Plan Submission – continued

6. *recommends that the Toronto Public Library Board takes the position that no further debt funding over and above what has already been committed be made available for the First Parliament Site without explicit Board approval, and this be communicated to the City of Toronto; and*
7. *requests staff to report back to the Budget Committee on a cost and feasibility analysis of expanding the Humber Bay Branch and adding it to the capital plan; and this analysis include an analysis of how development funding and co-locating could be utilized similar to the Fort York Branch, if possible.*

Carried as amended

See the following recommendations in the staff report:

That the Budget Committee:

1. *approves the 2015 – 2024 capital budget and plan submission, which meets the City debt targets, and requests funding of \$14.450 million debt (\$19.334 million gross) in 2015 and \$153.235 million debt (\$242.367 million gross) over 2015 – 2024; and*
2. *requests the City to adjust the 2015 operating budget target to recognize the second year impact of \$0.763 million in 2015 for the additional operating costs associated with the operations of the new Fort York and Scarborough Civic Centre branches.*

Amended

See the following motion to amend:

Moved in amendment by M. Foderick:

That the recommendations in the staff report be replaced with the following recommendations:

That the Budget Committee:

1. *recommends that the Toronto Public Library Board approves Recommendation No. 2 in the report;*
2. *recommends that the Toronto Public Library Board takes the position that there should be no “discount rate” for development charges due to the projected large development charge surplus even with the discount rate applied (notwithstanding the conservative assumptions of the background study);*

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3. *requests staff to report back to the Budget Committee on a cost estimate to obtain a very simple opinion by Hemson (author of the development charges background study), or another reputable firm to support the position that the 10% discount rate is unnecessary;*
4. *requests staff to reformat a draft State of Good Repair budget to separate out:*
 - a. *those State of Good Repair items necessary in order to keep the branch functional and open to the public in a safe way;*
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5. *requests staff to report back to the Budget Committee on the feasibility of reallocating from one capital budget line item to another (possibly through TAMP) to offset operating budget pressures;*
6. *recommends that the Toronto Public Library Board takes the position that no further debt funding over and above what has already been committed be made available for the First Parliament Site without explicit Board approval, and this be communicated to the City of Toronto;*
7. *requests staff to report back to the Budget Committee on a cost and feasibility analysis of expanding the Humber Bay Branch and adding it to the capital plan; and this analysis include an analysis of how development funding and co-locating could be utilized similar to the Fort York Branch, if possible.*

Carried

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BC Acquiring Collections from the Public

13-034

Committee Decision

Moved by M. Foderick:

That the Budget Committee:

1. *defers consideration of the Acquiring Collections from the Public report until the next meeting of the Budget Committee.*

Carried

Items for Information:

BC Branch Staffing Model Update

13-035

Committee Decision

Moved by C. MacKay:

That the Budget Committee:

1. *requests staff report back to the next meeting of the Budget Committee on how the following would be implemented for 2015:*
 - a. *a reduction of 1 FTE average per district branch and research and reference branch without reducing open hours or adversely impacting program delivery.*

Carried

BC Security Guard Services

13-036

Committee Decision

Moved by M. Foderick:

That the Budget Committee:

1. *requests staff report back to the next meeting of the Budget Committee on how the following would be implemented for 2015:*
 - a. *a security guard budget of \$400,000 per year;*
 - b. *a security guard budget of \$600,000 per year; and*
2. *requests staff to report back on whether there are legal requirements for public buildings that would inhibit any changes.*

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BC Adjournment

14-037

Moved by M. Foderick:

That the Budget Committee:

- 1. adjourns the July 28, 2014 meeting of the Budget Committee.*

Carried

The meeting ended at 8:50 p.m.

Signed: _____