



## **2007 Capital Budget Reallocations**

<b>Date:</b>	November 12, 2007
<b>To:</b>	Toronto Public Library Board
<b>From:</b>	City Librarian

### **SUMMARY**

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The purpose of this report is to obtain Toronto Public Library Board approval for budget adjustments which reallocate project cash flows on certain projects between years, but which have no net impact on the total funding of any capital project and no impact on the Council-approved 2007 debt level.

Approval of the budget adjustments would allow Toronto Public Library (TPL) to achieve a projected 96.4 percent spending level and almost complete delivery of the capital program.

### **RECOMMENDATIONS**

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The City Librarian recommends that the Toronto Public Library Board:

1. Approves the 2007 capital budget reallocation adjustments as detailed in Attachment 1;
2. Authorizes and directs the appropriate staff to take the necessary action to give effect thereto.

### **FINANCIAL IMPACT**

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Approval of the budget reallocation adjustments would allow TPL to achieve a projected 96.4 percent spending level and almost complete delivery of the capital program.

The cash flow reallocations will not impact the Council-approved 2007 debt level, nor the total funding of any capital project.

The Director, Finance and Treasurer has reviewed this report and agrees with the financial impact information.

## **ISSUE BACKGROUND**

As reported separately in more detail under the “Capital Budget Monitoring Report – September 30, 2007”, a \$0.640 million cash flow deferral of the 2007 Toronto Reference Library Renovation / Retrofitting project resulting from a delay in the completion of construction drawings, will be used to offset cash flow advances of \$0.240 million for the Technology Asset Management Program and \$0.400 million for the Jane / Dundas Renovation project.

The City’s budget process allows debt room freed up from delayed projects to be replaced by additional debt spending on other approved projects which are ready to proceed, as long as the overall approved debt level is not exceeded in any year. Using this budget reallocation process, TPL has been able to manage its projects and achieve a high level of expenditure and capital program delivery.

## **COMMENTS**

Using the most current project spending forecast within the described City framework for budget adjustments, the proposed budget reallocations described in Attachment 1 would allow TPL to achieve a projected 96.4 percent level of expenditure by the end of the year.

TPL’s Financial Control Policy specifies that capital budget adjustments over \$250,000 require Board and Council approval. The cash flow reallocations will have a no net impact on the total funding for any capital project and no net impact on the approved capital debt levels in 2007 to 2010.

The proposed budget adjustments will be included with the third quarter 2007 capital variance report going to Council for approval in November 2007.

## **CONTACT**

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## **SIGNATURE**

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Josephine Bryant  
City Librarian

## **ATTACHMENTS**

Attachment 1: 2007 Capital Budget Reallocation Adjustments