



## STAFF REPORT ACTION REQUIRED

11.

### 2011 - 2020 Capital Budget and Plan Adoption

<b>Date:</b>	March 1, 2010
<b>To:</b>	Toronto Public Library Board
<b>From:</b>	City Librarian

#### **SUMMARY**

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To adopt the Toronto Public Library (TPL) 2011 - 2020 capital budget and plan, subject to Council approval.

The 2011 - 2020 capital budget and plan support TPL's strategy to address asset state of good repair requirements while addressing changes in service needs and introducing technological innovation to improve services.

#### **RECOMMENDATIONS**

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**The City Librarian recommends that the Toronto Public Library Board:**

1. adopts the 2011 - 2020 capital budget and plan of \$221.165 million gross (\$145.484 million debt), subject to Council approval at its February 23 - 28, 2011 meeting, as detailed in Attachment 1 and comprised of:
  - a. 2011 capital budget of \$23.486 million gross (\$12.941 million debt) with future year commitments of \$59.136 million gross (\$27.842 million debt); and
  - b. 2012 – 2020 plan totalling \$138.543 million gross (\$104.701 million debt).

#### **FINANCIAL IMPACT**

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The 2011 capital budget consists of \$23.486 million gross (\$12.941 million debt) and future year commitments of \$59.136 million gross (\$27.842 million debt). The 2012 - 2020 Plan total of \$138.543 million gross (\$104.701 million debt) consists of estimates for projects starting between 2012 and 2020, as summarized in the following table and detailed in Attachment 1.

Description (\$000's)		2011	2012 - 2020									Total 2011 -2020	
			2012	2013	2014	2015	2016	2017	2018	2019	2020		
GROSS	<b>Budget:</b> Projects appvd. 2011/earlier	23,486	24,827	20,823	11,800	1,686	-	-	-	-	-	59,136	82,622
	<b>Plan:</b> Projects starting after 2011		1,756	2,369	10,545	15,981	19,032	19,363	23,689	23,798	22,010	138,543	138,543
	<b>Total gross cash flow</b>	23,486	26,583	23,192	22,345	17,667	19,032	19,363	23,689	23,798	22,010	197,679	221,165
DEBT	<b>Budget:</b> Projects appvd. 2011/earlier	12,941	11,487	9,238	5,545	1,572	-	-	-	-	-	27,842	40,783
	<b>Plan:</b> Projects starting after 2011		306	1,730	7,685	12,878	15,238	16,065	16,933	16,933	16,933	104,701	104,701
	<b>Total debt funding</b>	12,941	11,793	10,968	13,230	14,450	15,238	16,065	16,933	16,933	16,933	132,543	145,484

Operating costs associated with the approved capital budget amounts to \$0.111 million in 2011, and this is included in the 2011 operating budget request to be considered by Council on February 23 - 28, 2011. Future operating budgets will reflect additional costs associated with the implementation of capital projects, currently estimated at: \$0.432 million in 2012; \$0.542 million in 2013; \$1.063 million in 2014, and \$0.545 million in 2015.

Financing charges associated with the approved capital budget are budgeted by the City.

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

## ISSUE BACKGROUND

Section 24(2) of the Public Libraries Act requires the Board to adopt the annual estimates that have been approved by City Council. This report submits to the Board for adoption the 2011 - 2020 capital budget and plan, subject to Council approval at its February 23 - 28, 2011 meeting.

Technical budget adjustments to the 2010 capital budget and future year cash flows were approved by the Board at its meetings on September 20, 2010 and November 22, 2010, and have been incorporated into the 2011 - 2020 capital budget and plan. These technical adjustments were approved at the February 7 - 8, 2011 Council meeting. Adjustments to the budget are necessary to address timing issues, allowing the deferral of cash flows from projects experiencing delays and advancing cash flows for approved projects proceeding ahead of schedule, as long as the overall approved debt level is not exceeded in any year.

## COMMENTS

A revised capital request was approved by the Board at its meeting of December 13, 2010, reducing the 2011 - 2020 funding request by \$2 million (gross and debt) per year and transferring \$0.228 million funding for the Union Station Kiosk in 2012 to the City's Union Station project, thereby meeting the City's recommended debt targets.

At its meeting of February 2, 2011, the Library Board approved another revision to the 2011 capital budget by adding \$200,000 to the Scarborough Centre branch project with funding from the City's Land Acquisition Reserve Fund to cover the cost to develop the design and working drawings for a pedestrian link and concourse between the new branch and the Scarborough Civic Centre. At its meeting of February 17, 2011 the Executive Committee referred the Scarborough report to the Government Management Committee, directing the Deputy City Manager and Chief Financial Officer, in consultation with the Chief Corporate Officer to report to the Committee on the proposal. As it will not be considered as part of the 2011 capital budget approval at the Council meeting, the 2011 - 2020 capital budget and plan on Attachment 1 excludes the \$200,000 addition to the Scarborough Centre project.

At its February 23 - 28 , 2011 meeting, City Council will consider the 2011 capital budget and 2012 - 2020 plan, as detailed in Attachment 1.

Council approval of the 2011 budget confers authority to spend the annual budget only. Spending requirements for each of the future years have to be submitted annually for approval.

## **CONTACT**

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## **SIGNATURE**

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Jane Pyper  
City Librarian

## **ATTACHMENTS**

Attachment 1:    Toronto Public Library 2011 - 2020 Capital Budget and Plan