

2019 Capital Budget Adjustments

Date:	November 25, 2019
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

This report requests Toronto Public Library (TPL) Board's endorsement to amend the TPL approved 2019 capital budget. An over-expenditure in the St. Clair/Silverthorn Library project is being funded by a reallocation of project cash flows and project costs from completed or under-spent projects. The adjustments will have a zero-dollar impact on the 2019 approved capital budget, and will align the 2019 cash flows to TPL's capital project delivery schedule and program requirements. These budget adjustments required City approval.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board endorses the following budget reallocations:

1. increase of \$0.700 million gross (\$0.586 million debt) to the St. Clair/Silverthorn Library project;
2. decrease of \$0.700 million gross (\$0.586 million debt) from completed or under-spent projects, comprised of:
 - 2.1. \$0.074 million gross (\$0 debt) from the Fort York Library New Construction project;
 - 2.2. \$0.040 million gross (\$0 debt) from the Perth/Dupont Library – 299 Campbell Ave design phase project; and

- 2.3. \$0.586 million gross and debt from the Multi-Branch Minor Renovation program; and
3. authorizes staff to forward the capital budget adjustments to the City for approval.

FINANCIAL IMPACT

The recommended adjustments will reallocate funding from projects that have been completed (Fort York Library New Construction and Perth/Dupont Library – 299 Campbell Ave. design phase) or under-spent (Multi-Branch Minor Renovation program) to the St. Clair/Silverthorn Library project, which requires additional funding.

Table 1: 2019 Capital Budget Adjustments (\$ millions)

Project Name	Council Approved				Adjustment Request				Revised			
	Total Project Cost	Prior Year Cash Flow	2019 Cash Flow	2020-2028 Plan	Total Adjustment	Prior Year Cash Flow	2019 Cash Flow	2020-2028 Plan	Total Project Cost	Prior Year Cash Flow	2019 Cash Flow	2020-2028 Plan
Fort York Library New Construction	9.192	9.064	0.128		(0.074)		(0.074)		9.118	9.064	0.054	-
Perth/Dupont Library - 299 Campbell Ave design	0.080	0.035	0.045		(0.040)		(0.040)		0.040	0.035	0.005	-
Multi-Branch Minor Renovation Program	6.201	1.969	2.909	1.323	(0.586)		(0.586)		5.615	1.969	2.323	1.323
Sub-Total Reallocation From	15.473	11.068	3.082	1.323	(0.700)	-	(0.700)	-	14.773	11.068	2.382	1.323
St. Clair/Silverthorn Library	3.815	2.646	1.169		0.700		0.700		4.515	2.646	1.869	-
Sub-Total Reallocation To	3.815	2.646	1.169	-	0.700	-	0.700	-	4.515	2.646	1.869	-

There is no net impact on the Council-approved gross and annual debt levels as a result of these adjustments.

The Director, Finance and Treasurer has reviewed this financial impact statement and agrees with it.

ISSUE BACKGROUND

Financial control policies for the City and the Library allow for the reallocation of budget between capital projects to offset anticipated over-expenditures in one project with available funding from another project. Any reallocation of budget between capital projects of more than \$250,000 requires Board and City approval. This report seeks Board endorsement and City approval for these budget adjustments.

COMMENTS

A separate report, *Capital Budget Monitoring Report – September 30, 2019*, provides a status update on all 2019 capital projects.

Additional funding for the St. Clair/Silverthorn Library project is required primarily due to unexpected costs near the end of the project related to water connection issues and corresponding delay claims from contractors. Funds are available for reallocation from two completed projects (Fort York Library New Construction and Perth/Dupont Library – 299 Campbell Ave. design phase) and one under-spent project (Multi-Branch Minor Renovation program).

These adjustments will be forwarded to the City for approval.

CONTACT

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SIGNATURE

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