



**STAFF REPORT
ACTION REQUIRED**

2024 Capital Budget Adjustment

Date: September 23, 2024

To: Toronto Public Library Board

From: City Librarian

SUMMARY

This report requests Toronto Public Library Board endorsement to amend the Toronto Public Library (TPL) 2024 Capital Budget and 2025-2033 Capital Plan by adjusting cash flows to align forecasted project accelerations and deferrals. These adjustments will align the 2024 cash flows to TPL's capital project delivery schedule and program requirements. These technical budget adjustments require City of Toronto approval.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. endorses the accelerations of a total \$9.459 million gross and debt from 2025 to 2024 comprised of:
 - 1.1. \$2.231 million gross and debt for the Service & Digital Modernization project; and
 - 1.2. \$7.228 million gross and debt for the Multi-Branch Minor Renovation Program project;
2. endorses the deferral of a total of \$5.254 million gross cash flow (\$2.802 million debt, \$0.060 million development charges (DC), \$2.392 million other funding) from 2024 to 2025 comprised of:
 - 2.1. \$1.400 million gross and debt for the Centennial Branch project;
 - 2.2. \$1.802 million gross (\$1.402 million debt, \$0.400 million other funding) for the Dawes Road Branch project;
 - 2.3. \$2.052 million gross (\$0.060 million DC, \$1.992 million other funding) for the Pleasant View Branch project;
3. endorses a 2024 cash flow reallocation of \$1.200 million gross and debt from the Toronto Reference Library project to the Bridlewood Branch project; and
4. authorizes staff to forward this capital budget adjustment to the City for approval.

FINANCIAL IMPACT

The approval of this report will increase the Council approved gross budget by \$4.205 million, funded by an increase of \$6.657 million debt, decrease of \$0.060

million DC and a decrease of \$2.393 million other funding. These budget adjustments are summarized in Table 1 below.

Table 1: 2024 CAPITAL IN-YEAR ADJUSTMENTS (\$ millions)

Description	2024				2025			
	Gross	Debt	DC	Other	Gross	Debt	DC	Other
Cash flow acceleration/deferral								
Accelerate Service and Digital Modernization cash flow	2.231	2,231			(2.231)	(2,231)		
Accelerate Multi-Branch Minor Renovation Program cash flow	7.228	7,228			(7.228)	(7,228)		
Subtotal - Acceleration	9.459	9,459	0.000	0.000	(9.459)	(9,459)	0.000	0.000
Defer Centennial Branch cash flow	(1.400)	(1,400)			1.400	1,400		
Defer Dawes Road Branch cash flow	(1.802)	(1,402)		(0.400)	1.802	1,402		0.400
Defer Pleasant View Branch cash flow	(2.052)		(0.060)	(1.992)	2.052		0.060	1.992
Subtotal - Deferral	(5.254)	(2,802)	(0.060)	(2,392)	5.254	2,802	0.060	2,392
Subtotal - Net Acceleration/(Deferral)	4.205	6,657	(0.060)	(2,392)	(4.205)	(6,657)	0.060	2,392
Budget transfer								
Toronto Reference Library	(1.200)	(1,200)						
Bridlewood Branch	1.200	1,200						
Subtotal	0.000	0,000	0.000	0.000	0.000	0,000	0.000	0.000
Total Adjustment	4.205	6,657	(0.060)	(2,392)	(4.205)	(6,657)	0.060	2,392

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

ALIGNMENT WITH STRATEGIC PLAN

The 2024 capital budget supports TPL's strategic plan objectives, in particular: provide quality, accessible & inclusive public spaces; increase access to technology & digital literacy; and deliver exceptional customer experiences.

TPL's 2024 capital budget aligns and supports Council's strategic vision to make Toronto a centre of innovation and growth. The capital program builds and maintains beautiful public space in every neighbourhood and leverages digital advances and technology to create smart and efficient services. By enhancing the accessibility and inclusivity of library branches and expanding digital access, the plan supports equitable access to library services for all and enhances investment and quality of life in neighbourhoods across the city.

EQUITY IMPACT STATEMENT

The 2024 capital budget is informed by the principles of equity and access and advances the work required under the Accessibility for Ontarians with Disabilities Act (AODA). The capital budget was developed using the facilities master plan with access as one of the key drivers for investment in capital projects. The budget will increase TPL's capacity to align the investment in

library facilities and services with need and demand across the city. It seeks to improve equity with respect to facility and service access for all residents, including equity-seeking groups in the city of Toronto.

ISSUE BACKGROUND

Financial control policies for the City and the Library allow for cash flows to be reallocated between capital projects in order to provide required funding for projects spending ahead of schedule.

Any budget adjustments of more than \$250,000 require Board endorsement and City approval.

COMMENTS

A separate report at this meeting, *Capital Budget Monitoring Report –June 30, 2024*, provides a status update on all 2024 capital projects.

TPL is seeking to amend the 2024 Capital Budget and 2025-2033 Capital Plan to align the 2024 cash flows to TPL's capital project delivery schedule and program requirements. Table 1 above details the cash flow adjustments required.

Capital Budget Acceleration

As of June 30, 2024, two capital projects (Service and Digital Modernization and the Multi-Branch Minor Renovation Program projects) are projected to be spending ahead of schedule, which will require an acceleration of \$9.459 million cash flow, gross and debt, from 2025 to 2024.

Capital Budget Deferral

Delays in the site plan approval process for three capital projects (Centennial Branch, Dawes Road Branch and Pleasant View Branch projects) will enable the deferral of \$5.254 million gross cash flow (\$2.802 million debt, \$0.060 million DC and \$2.392 million other funding) from 2025 to 2024.

This in-year budget adjustment for projects being delivered ahead of schedule and offset by projects that are behind schedule will increase the Council-approved gross budget by \$4.205 million funded by an increase of \$6.657 million debt, decrease of \$0.060 million DC and a decrease of \$2.393 million other funding.

Capital Budget Transfers

The Bridlewood Branch project requires additional cash flow funding in 2024 due to increased costs to complete renovation of the branch. An in-year budget allocation of \$1.200 million from the Toronto Reference Library project will provide the funding needed and will increase the total project cost to \$10.987 million.

CONTACT

Larry Hughsam; Acting Director, Finance & Treasurer; Tel: 416-397-5946;
Email: lhughsam@tpl.ca

Deepak Sharma; Senior Manager, Budget & Financial Reporting; Tel: 416-393-7003; Email: dsharma@tpl.ca

SIGNATURE

Vickery Bowles
City Librarian