



To: Toronto Public Library Board – May 10, 2004

From: City Librarian

Subject: **2004 - 2008 Capital Budget**

Purpose:

To adopt the Toronto Public Library 2004 - 2008 capital budget as approved by City of Toronto Council for 2004 capital projects and associated future year cash flow commitments.

Funding Implications and Impact Statement:

The TPL 2004-2008 capital budget, as approved by City Council, reflects a gross approval of \$12.414 million for 2004 and \$20.810 million for 2004 - 2008. The net expenditure funding is \$10.000 million for 2004 and \$17.218 million for 2004 - 2008.

The operating cost associated with the approved Capital Budget amounts to \$0.332 million in 2004, and this is included in the 2004 approved operating budget.

Financing charges are budgeted by the City.

The proposed additional three percent GST rebate, which is expected to be effective in February 2004, would result in a decrease of approximately \$0.250 million to the capital budget.

Recommendation:

It is recommended that the Toronto Public Library Board adopt the *2004 - 2008 Capital Budget*, as approved by City Council at its meeting of April 19 - 27, 2004, which reflects gross expenditures of \$12.414 million in 2004 and \$20.810 million for 2004 - 2008, and net expenditures of \$10.000 million in 2004 and \$17.218 million for 2004 - 2008.

Background:

S24(1) of the Public Libraries Act states:

“A public library board.... shall submit to the appointing council, annually on or before the date and in the form specified by the council, estimates of all sums required during the year for the purposes of the board.”

S24(2) of the Public Libraries Act states:

“The amount of the board's estimates that is approved or amended and approved by the council shall be adopted by the board and shall be paid to the board out of the money appropriated for it.”

This report adopts the council approved capital budget for 2004 capital projects and associated future year cash flow commitments.

Comments:

At its meeting of September 15, 2003, the Library Board approved the Toronto Public Library 2004 - 2008 capital budget submission. The capital budget submission requested a gross expenditure of \$12.655 million in 2004 and \$18.312 million for 2004 - 2008, and a net expenditure of \$11.467 million in 2004 and \$16.240 million for 2004 - 2008. Included in the budget submission was an amount of \$0.850 million in carry-forwards from 2003, which do not impact debt.

The 2004 - 2008 capital budget submission underwent a series of reviews by the Chief Administrative Officer and Chief Financial Officer, Executive Management Team, Budget Advisory Committee, and Policy and Finance (P&F).

At its meeting on April 19 - 27, 2004, City Council approved the P&F Recommended Budget of \$12.414 million gross and \$10.000 million net in 2004 and \$20.810 million gross and \$17.218 million net for 2004 - 2008. The 2004 approved budget of \$10.000 million net represents a decrease of \$1.467 million from the 2004 budget submission, comprised of project deferrals of \$0.897 million and reductions of \$0.570 million as detailed in Attachment 1.

The 2004 - 2008 approved capital budget is comprised of 15 initiatives and highlights include:

- initiatives previously approved and currently underway are: Malvern Renovation & Expansion, St. James Town Construction, Runnymede Renovation, McGregor Park Reconstruction, Beaches Renovation, Long Branch Renovation, Jane/Sheppard Relocation, Public Database Remediation, and Intranet Document Management;
- continued retrofit and renovation of Toronto Reference Library;
- continuation of the multi-branch State of Good Repair program which includes roofing, building systems, flooring and shelving programs;
- new Electronic Information Services initiatives including: self-serve check out of library materials; improved search capabilities; content updating and statistical tracking of the Library web-site; upgraded emergency backup power supply; and increase in disk space for digitization of library materials;
- renovation of Pape/Danforth;
- renovation of a portion of the Fairview Theatre; and
- relocation of the new Morningside Library to the Heron Park Community Recreation Centre site.

Future year projects, which start in 2005 or later, are not part of the Council approved budget and therefore are excluded from this report.

Conclusion:

The 2004 recommended capital budget of \$12.414 million gross and \$10.000 million net as approved by City Council represents a continued strategy towards meeting TPL's requirements: to address a critical backlog of repairs; for an annual state-of-good repair program; for expansion projects to meet service demands; and for new technologies in delivering library services.

The 2004 Council approved capital budget also meets the \$10.000 million annual target approved by City Council in 2003.

Contact:

Larry Hughsam, Director, Finance and Treasurer; Tel: 397-5946; Fax: 393-7115;

E-mail: lhughsam@tpl.toronto.on.ca

Debbie Chiang, Manager, Budget & Financial Reporting; Tel: 393-7003; Fax: 393-7115;

E-mail: dchiang@tpl.toronto.on.ca

Josephine Bryant
City Librarian

List of Attachments:

Attachment 1 – Toronto Public Library - 2004-2008 Capital Program – Council Approved