

2012 - 2021 Capital Budget and Plan Adoption

Date:	January 30, 2012
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is for the Toronto Public Library Board to adopt the Toronto Public Library (TPL) 2012 - 2021 Capital Budget and Plan approved by City Council at its January 17, 2012 meeting .

The 2012 - 2021 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 reduce costs.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. adopts the 2012 - 2021 Capital Budget and Plan of \$221.729 million gross (\$152.166 million debt), as approved by City Council at its January 17, 2012 meeting, and detailed in Attachment 1, comprised of:
 - a. 2012 Capital Budget of \$26.580 million gross (\$14.483 million debt) with future year commitments of \$52.832 million gross (\$32.304 million debt); and
 - b. 2013 - 2021 Plan totalling \$195.149 million gross (\$137.683 million debt).

FINANCIAL IMPACT

The 2012 Capital Budget consists of \$26.580 million gross (\$14.483 million debt) and future year commitments of \$52.832 million gross (\$32.304 million debt). The 2013 – 2021 Plan total of \$195.149 million gross (\$137.683 million debt) consists of estimates for projects starting between 2013 and 2021, as summarized in the following table and detailed in Attachment 1.

Description (\$000's)	2012	2013 - 2021										Total 2012 -2021	
		2013	2014	2015	2016	2017	2018	2019	2020	2021	Total 2013- 2021		
GROSS	Budget: Projects appvd. 2012/earlier	26,580	25,451	17,061	8,061	2,259	-	-	-	-	-	52,832	79,412
	Plan: Projects starting after 2012		731	5,378	9,260	16,446	20,481	22,804	23,818	21,868	21,531	142,317	142,317
	Total gross cash flow	26,580	26,182	22,439	17,321	18,705	20,481	22,804	23,818	21,868	21,531	195,149	221,729
DEBT	Budget: Projects appvd. 2012/earlier	14,483	10,775	11,730	7,543	2,256	-	-	-	-	-	32,304	46,787
	Plan: Projects starting after 2012		193	1,500	6,907	12,982	16,065	16,933	16,933	16,933	16,933	105,379	105,379
	Total debt funding	14,483	10,968	13,230	14,450	15,238	16,065	16,933	16,933	16,933	16,933	137,683	152,166

The 2012 capital budget of \$26.580 million gross (\$14.483 million debt) includes \$2.690 million gross and debt for the installation of four additional automated sorters, which were added during the budget review process.

Operating savings associated with the approved capital budget amounts to \$(1.526) million in 2012, and this is included in the 2012 operating budget request which was approved by Council at its January 17, 2012 meeting. Future operating budgets will reflect additional costs / (savings) associated with the implementation of capital projects, currently estimated at: \$(0.372) million in 2013; \$0.894 million in 2014; \$0.986 million in 2015, and \$0.040 million in 2016.

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 2012 – 2021 Capital Budget and Plan approved by Council at its January 17, 2012 meeting.

COMMENTS

At its meeting on October 17, 2011, the Library Board approved a 2012 – 2021 capital budget and plan submission summarized below, which met the City's debt targets.

2012 - 2021 CAPITAL BUDGET AND PLAN SUBMISSION
(\$000s)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL 2012-2021
Gross Funding Request	23,890	26,182	22,439	17,321	18,705	20,481	22,804	23,818	21,868	21,531	219,039
Less: Non-Debt Funding	12,097	15,214	9,209	2,871	3,467	4,416	5,871	6,885	4,935	4,598	69,563
Debt Funding Request	11,793	10,968	13,230	14,450	15,238	16,065	16,933	16,933	16,933	16,933	149,476

At its meeting on December 12, 2011, the Library Board approved an additional 2012 capital funding request of \$2.690 million gross and debt for the installation of four additional automated sorters which would result in additional operating efficiencies.

At the meeting, the Board adopted a motion which requests staff to review the 2012 - 2021 capital budget and to report back on a method to re-position the Silverthorn/St. Clair branch project to the 2013 capital budget. A response to this request will be provided as part of the 2013 capital budget process.

At its January 17, 2012 meeting, City Council approved the 2012 Capital Budget of \$26.580 million gross (\$14.483 million debt) with future year commitments of \$52.832 million gross (\$32.304 million debt); and 2013 - 2021 Plan totalling \$195.149 million gross (\$137.683 million debt), which includes the requested 2012 addition of \$2.690 million gross and debt for the four additional sorters. Funding for the 2013 to 2021 capital program remains unchanged. A summary of the approved budget is shown below and details are provided in Attachment 1.

APPROVED 2012 - 2021 CAPITAL BUDGET AND PLAN
(\$000s)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL 2012-2021
Gross Funding Request	26,580	26,182	22,439	17,321	18,705	20,481	22,804	23,818	21,868	21,531	221,729
Less: Non-Debt Funding	12,097	15,214	9,209	2,871	3,467	4,416	5,871	6,885	4,935	4,598	69,563
Debt Funding Request	14,483	10,968	13,230	14,450	15,238	16,065	16,933	16,933	16,933	16,933	152,166

Final 2011 year-end adjustments and unspent balances carried-forward will change the available 2012 cash flow. Council approval of the 2012 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

Jane Pyper
City Librarian

ATTACHMENTS

Attachment 1: Toronto Public Library Approved 2012 – 2021 Capital Budget and Plan