Agenda - Executive Policy Committee - September 21, 2016

Report - Standing Policy Committee on Finance - September 15, 2016

Item No. 1 Consolidation of Capital Program Budgets for the Cornish Library Project and St. John's Library Project

STANDING COMMITTEE RECOMMENDATION:

On September 15, 2016, the Standing Policy Committee on Finance concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the consolidation of all previously-approved capital projects for Cornish Library and St. John's library, as per Appendix 1 and 2, attached, be approved.

2. That the total increased value of the Cornish Library ($26,400.00) and St. John's library ($15,700.00) capital projects to include donations received, be approved.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda - Executive Policy Committee - September 21, 2016

Report - Standing Policy Committee on Finance - September 15, 2016

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On September 15, 2016, the Standing Policy Committee on Finance concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

Administrative Report

Title: Consolidation of Capital Program Budgets for the Cornish Library Project and St. John's Library Project

Critical Path: Standing Policy Committee Finance – EPC - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
K. Lemoine G. Vlahakos	C. Wightman	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

The total value of the Cornish Library and St. John's Library projects must be increased to reflect donations received and dedicated to the Library redevelopment projects (Cornish: $26,400; St. John's: $15,700).

This report recommends:

I. The consolidation of previously Council approved capital program budgets, a Community Incentive Grant – Fort Rouge-East Fort Garry Ward, and designated donations from the Library Trust Fund, into one capital project called "Library Refurbishment and Redevelopment Program – Existing Infrastructure: Cornish Library".

II. The consolidation of previously-approved Council capital program budgets, a Community Incentive Grant - Mynarski Ward, and designated donations from the Library Trust Fund, into one capital project called "Library Refurbishment and Redevelopment Program – Existing Infrastructure: St. John's Library" to ensure sufficient funding to support the renovations to the St. John's Library.

Consolidation of capital program budgets under these two distinct projects will enable the Public Service to more effectively and efficiently track progress on the final cost of each project.

No new funds are being requested. All funds have been either previously approved by Council or designated as donations to the respective projects.

RECOMMENDATIONS

1. That the Standing Policy Committee on Finance approve the consolidation of all previously-approved capital projects for Cornish Library and St. John's library, as per Appendix 1 and 2, attached.

2. That Council approve the total increased value of the Cornish Library ($26,400) and St. John's library ($15,700) capital projects to include donations received.

3. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Standing Policy Committee on Finance approval is required to consolidate capital and program budgets.

Council approval is required to increase the value of the capital projects and program budgets.

IMPLICATIONS OF THE RECOMMENDATIONS

No new funding is being requested.

The capital program budgets to be consolidated are being expended for the purposes for which they were approved by Council, under authority delegated by Council, and designated donations from the Library Trust Fund, respectively: consolidation within one capital project budget for each Library makes accounting for and reporting on the financial status of the projects less complex and more transparent.

Consolidation of capital program budgets and designated donations from the Library Trust Fund under two distinct projects will enable the Public Service to more effectively and efficiently track progress on the final cost of each project.

HISTORY / DISCUSSION

The Public Library environment has undergone significant changes in the past decade. New developments in library automation, electronic resources, self-service options, eBooks, social media and mobile technologies are changing the way that libraries are used by library customers. Despite the changes occurring in how people access information, libraries remain very important to the public. The recently completed 2016 City of Winnipeg satisfaction rating from the citizens of Winnipeg showed a 94.5% satisfaction rating.

Libraries remain well used and valued because they are more than just a place to borrow a book. The public library today is the community hub for early childhood literacy, leisure activity, life-long learning and information access. Libraries provide newcomers with the information they need about job opportunities, education and social services in their communities. Libraries assist students with homework assistance and on-line resources; and provide tutorial rooms where they can study. In addition, Libraries support small businesses as "virtual offices" to conduct business and meet clients through our physical space and access to free Internet and Wi-Fi. Libraries provide access to public computers, the Internet and Wi-Fi for those who might not have access otherwise; and as the baby boomer generation retires, leisure activities, programs and life-long learning are playing a larger role in libraries.

As the role of the library evolves, the need for library facilities that are flexible, green, and universally accessible is growing in demand. The libraries built today are esthetically attractive, safe and welcoming community-based places.

Funds are necessary to replace and furnish modern, safe, and accessible libraries that are able to accommodate the changing needs of library users.

In 2016, Council has adopted capital of $5,000,000 in support of major renovations at Cornish Library ($2,500,000) and St. John's library ($2,500,000). In addition to this funding, the following funding has been identified to complete the scope of the renovations:

- Funding from the 2015 Council-adopted capital budget for the Library Safety, Security and Accessibility Program of $30,000 (signage) is allocated for each library.
- Funding from the 2015 Council-adopted capital budget for the Library Technology Upgrade and Replacement Program of $30,000 is allocated for each library.
- Funding from the 2016 Council-adopted capital budget for the Library Interior Infrastructure Replacement Program of $75,000 (furniture) is allocated for each library.
- As the project managers of the Cornish Library projects, Planning, Property and Development – Municipal Accommodations submitted and received approval in the 2014 Council Approved Historic Buildings Capital Program funding for "Building Envelope Refurbishment and Structural Assessment" at the Cornish Library in the amount of $180,000 and has allocated $125,000 of the 2016 Council Approved Riverbank Greenway Capital funding for riverbank stabilization work at the Cornish Library site.
- As the project managers of the St. John's Library project, Planning, Property and Development – Municipal Accommodations submitted and received approval in the 2015 Council Approved Historic Buildings Capital Program funding for "Building System Upgrade" at St. John's Library in the amount of $75,000.
- The Winnipeg Library Foundation has assisted the Library Services Division for many years with fundraising in support of library capital projects. The Foundation has secured a Community Incentive Grant from the Fort Rouge-East Fort Garry Ward in the amount of $10,000 for Cornish Library, and a Community Incentive Grant from the Mynarski Ward in the amount of $20,000 for St. John's Library.
- Dedicated donations for Cornish Library ($26,400) and St. John's Library ($15,700) have been received and are held in the Library Trust Fund.

These armounts are summarized in the following table.

Funding Summary for Cornish Library and St. Johns Library Capital Projects		
Capital Funding Source	Cornish Library (Consolidation #1)	St. John's Library (Consolidation #2)
Library Facility Redevelopmen - Existing Infrastructure	$2,500,000	$2,500,000
Library Safety, Security and Accessibility Program	$30,000	$30,000
Library Technology Upgrade and Replacement Program	$30,000	$30,000
Library Interior Infrastructure Replacement Program - Furniture	$75,000	$75,000
Municipal Accommodations – Historic Buildings Capital Program	$180,000	$75,000
Planning, Property and Development - Riverbank Greenway Programs	$125,000	$0
Community Incentive Grant Program	10,000	20,000
Library Trust Fund	26,400	15,700
Total	**$2,976,400**	**$2,745,700**

FINANCIAL IMPACT

Financial Impact Statement

Date: August 29, 2016

Project Name:

First Year of Program **2016**

Consolidation of Capital Program Budgets into the Cornish Library Project and St. John's Library Project

	2016	2017	2018	2019	2020
Capital					
Capital Expenditures Required	$ 5,722,100	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	5,680,000	-	-	-	-
Additional Capital Budget Required	$ 42,100	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Other - Library Trust Fund	42,100	-	-	-	-
Total Funding	$ 42,100	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 42,100				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The recommendation is that Council-approved various Library capital program budgets and the dedicated donations from the Library Trust to be consolidated into 2 distinct capital projects:

1) Cornish Library $2,976,400
2) St. Johns Library $2,745,700

The total funding involved is $5,722,100

See attached Appendices 1 and 2 for details.

"Original Signed By"
Kelly Lemoine, CPA, CA
Manager, Finance & Administrative Services

CONSULTATION

In preparing this Report there was consultation with:

Planning, Property & Development Department

OURWINNIPEG POLICY ALIGNMENT

01-6 Libraries
Direction 2: Provide Library Facilities That Are Safe, Convenient and Accessible Community Places

SUBMITTED BY

Department:	Community Services Department
Division:	Library Services
Prepared by:	G. Vlahakos
Date:	August 29, 2016

Appendix 1

Consolidation of Budgets for Library Facility Redevelopment – Cornish Library Project

The total capital requirements for Cornish Library project is $2,976,400 with funding provided from the following sources:

A Council adopted capital budget of $2,500,000 in 2016 is designated for the Cornish Library redevelopment.

Funding from the 2015 Council adopted capital budget for the Library Safety, Security and Accessibility Program of $30,000 (signage) is required as part of this project.

Funding from the 2015 Council adopted capital budget for the Library Technology Upgrade and Replacement Capital Program of $30,000 is required as part of this project.

Funding from the 2016 Council adopted capital budget for the Library Interior Infrastructure Replacement program will also be used as part of this project in the amount of $75,000 (furniture).

Additional funding the 2014 Council adopted capital budget for the Municipal Accommodations – Historic Buildings Capital Program will also be used as part of this project in the amount of $180,000 for building envelope refurbishment and structural assessment.

Additional funding from the 2015 Council adopted capital budget for the Planning, Property and Development – Riverbank Greenway Program will also be used as part of this project in the amount of $125,000.

Additional funding from the 2014 Council adopted capital budget for the Community Incentive Grant Program – Fort Rouge-East Fort Garry Ward in the amount of $10,000 for Cornish Library

Additional incremental funding has been received by way of dedicated donations in the amount of $26,400 for Cornish Library and is held in the Library Trust Fund.

Library Facility Redevelopment - Cornish Library Capital Project Budget

Capital Project #/ Funding Source	Description	Approved Budget / Funding	Portion related to Library Facility Redevelopment – Cornish Library Project
Approved by Council			
621063411 4	City of Winnipeg -Library Facility Redevelopmen Program - Existing Infrastructure: Cornish Library	2,500,000	2,500,000
621063451 5	Library Safety, Security and Accessibility Program	200,000	30,000
621063441 5	Library Technology Upgrade and Replacement Program	500,000	30,000
621000021 6	Library Interior Infrastructure Replacement Program	150,000	75,000
633100071 4	Municipal Accommodations – Historic Buildings Capital Program	200,000	180,000
635130011 6	Planning, Property and Development - Riverbank Greenway Programs	600,000	125,000
625100011 4	City of Winnipeg - Community Incentive Grants Program	1,600,000	10,000
625/ 628333	Library Trust Fund - Cornish	0	6,400
625/ 628362	Library Trust Fund - Kathleen Oswald	0	10,000
625/ 628364	Library Trust Fund - Perry Ross - Cornish	0	10,000
Total Funding		5,750,000	2,976,400

Funding Sources to be consolidated - subject to approval of Recommendation by Council

Appendix 2

Consolidation of Budgets for Library Facility Redevelopment – St. John's Library Project

The total capital requirements for St John's Library project is $2,745,700 with funding provided from the following sources:

A Council adopted capital budget of $2,500,000 was established in 2016, designated for the St. John's Library redevelopment.

Funding from the 2015 Council adopted capital budget for the Library Safety, Security and Accessibility Program of $30,000 (signage) is required as part of this project.

Funding from the 2015 Council adopted capital budget for the Library Technology Upgrade and Replacement Capital Program of $30,000 is required as part of this project.

Additional funding from the 2016 Council adopted capital budget for the Library Interior Infrastructure Replacement program will also be used as part of this project in the amount of $75,000 (furniture).

Funding from the 2014 Council adopted capital budget for the Municipal Accommodations – Historic Buildings Capital Program will also be used as part of this project in the amount of $75,000 for building system upgrade.

Additional funding from the 2014 Council adopted capital budget for the Community Incentive Grant Program – Mynarski Ward in the amount of $20,000 for St. John's Library.

Additional incremental funding has been received by way of dedicated donations in the amount of $15,700 for St. John's Library and is held in the Library Trust Fund.

Library Facility Redevelopment – St John's Library Capital Project Budget

Capital Project # / Funding Source	Description	Council Approved Budget / Funding	Portion related to Library Facility Redevelopment – St. John's Project
Approved by Council			
6210634214	City of Winnipeg -Library Facility Redevelopmen Program - Existing Infrastructure: St. John's Library	2,500,000	2,500,000
6210634515	Library Safety, Security and Accessibility Program	200,000	30,000
6210634415	Library Technology Upgrade and Replacement Program	500,000	30,000
6210000216	Library Interior Infrastructure Replacement Program	150,000	75,000
6331000715	Municipal Accommodations –Historic Buildings Capital Program	200,000	75,000
6251000114	City of Winnipeg - Community Incentive Grants Program	1,600,000	20,000
625/628367	Library Trust Fund - Cornish & St John's Campaign	0	5,040
625/628363	Library Trust Fund - Claire Hebert	0	10,660
Total Funding		5,150,000	2,745,700

Funding Sources to be consolidated - subject to approval of Recommendation by Council