



**Town of Aurora
Council Report**

No. FS19-024

Subject: Library Square Total Approved Budget Funding Sources
Prepared by: Jason Gaertner, Acting Director of Financial Services - Treasurer
Department: Financial Services
Date: May 28, 2019

Recommendation

- 1. That Report No. FS19-024 be received.**

Executive Summary

This report presents Council with the additional information that was requested during its May 21st General Committee. More specifically:

- A summary of the current recommended funding sources for the Library Square's total approved budget to date of \$42.4 million is provided
- The Hydro Sale Investment reserve fund balance presently sits at approximately \$31 million

Background

At its May 21, 2019 General Committee meeting, over the course of its discussion of the CMS19-015 – Library Square – Linkage and Café Options report, Council requested that staff provide it with a summary of the Library Square's complete recommended or approved funding sources to date; as well as the current balance of the Town's Hydro Sale Investment reserve.

Analysis

A summary of the current recommended funding sources for the Library Square's total approved budget to date of \$42.4 million is provided

Firstly, it is important to note that the Library Square's total approved budget to date was not approved through a single decision by Council. Rather, it was approved by Council in increments over the course of the past three years. Prior to Council's March 21, 2019 Library Square incremental budget approvals, a total of \$2,340,100 had been previously

approved to date by Council for the Library Square. This budget was fully funded through draws of \$840,100 and \$1,500,000 from the Council Discretionary and the Hydro Sale Investment reserves, respectively. The recommended funding sources presented in both the March 21st and May 21st Library Square reports to Council related solely to the incremental funding decisions that Council was considering at that time.

Figure 1 presents the most current recommended or approved funding sources for the Library Square's total approved budget to date of \$42.4 million. As noted above, Council has formally approved \$2.3 million of these identified funding sources.

Figure 1 (in \$Millions)

Total approved investment to date	42.4
Proceeds from the sale of municipal lands reserve	(7.1)
Community benefits reserve	(2.6)
Grants	(14.1)
Outdoor recreation & Library Development Charges	(3.5)
Tax levy funded twenty year debenture ¹	(6.7)
Council discretionary reserve ²	(0.8)
Hydro sale investment reserve ³	(7.6)

Note(s):

- 1) Assumed a 20 year debenture with an annual carrying cost equivalent to a one-time 1% tax levy increase. The currently available 20 year debenture interest through Infrastructure Ontario is 3.26%.
- 2) This draw from the Council Discretionary reserve was formally approved by Council in January, 2018 in support of the design of the proposed new addition to the Church Street School.
- 3) This current balance is made up of multiple components that were approved or recommended at different points in time over the life of this project:

2017	Demolition of 52 & 56 Victoria Street Structures and early site design.	\$ 500,000
2018	Parking and laneway design & construction	1,000,000
2019	March 21 st core budget increases	3,548,000
2019	March 21 st parking option approvals	419,000
2019	May 21 st option approvals	2,129,300
Total Balance		\$ 7,596,300

The Hydro Sale Investment reserve fund balance presently sits at approximately \$31 million

As of the date of this report, the Hydro Sale Investment reserve fund balance sits at \$30,991,700. This noted balance is after all previous draws from this reserve relating to the Armoury renovation project, as well as the above noted \$1,500,000 in draws previously approved by Council for the Library Square project have been applied.

Advisory Committee Review

Not applicable.

Legal Considerations

Nil

Financial Implications

Council has previously formally approved \$2.3m in funding for this project. The remaining recommended \$40.1m in funding sources will be finalized and formally approved by Council in the fall of 2019.

Communications Considerations

This report will be readily accessible to the public through the Town's web site.

Link to Strategic Plan

Outlining and understanding the recommended funding sources for the Library Square project contributes to achieving the Strategic Plan guiding principle of "Leadership in Corporate Management" and improves transparency and accountability to the community.

Alternative(s) to the Recommendation

None

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Conclusions

This report strives to provide Council with the additional information that it requested at its May 21st General Committee relating to the Library Square project. This additional information is principally a complete funding source break-down for the total Library Square capital budget that has been approved to date by Council and the value of the Town's Hydro Sale Investment reserve.

Attachments

Nil

Previous Reports

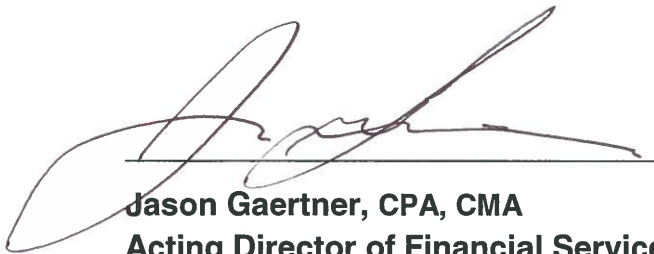
FS19-012 Library Square - Financial Strategy

CMS19-015 Library Square – Linkage and Café Options report

Pre-submission Review

Nil

Departmental Approval



**Jason Gaertner, CPA, CMA
Acting Director of Financial Services
- Treasurer**

Approved for Agenda



**Doug Nadorozny
Chief Administrative Officer**