



STAFF REPORT INFORMATION ONLY

Operating Budget Monitoring Report – June 30, 2016

Date:	September 26, 2016
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to provide the Toronto Public Library Board with a summary of the gross and net operating expenditures of Toronto Public Library (TPL) for the six-month period ending June 30, 2016.

As of June 30, 2016, TPL is reporting a favourable net expenditure variance of \$0.440 million comprised of a favourable revenue variance of \$1.071 million partially offset by an unfavourable expenditure variance of \$0.631 million.

FINANCIAL IMPACT

As of June 30, 2016, TPL is reporting a favourable net expenditure variance of \$0.440 million, consisting of a favourable revenue variance of \$1.071 million partially offset by an unfavourable expenditure variance of \$0.631 million.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

ISSUE BACKGROUND

Toronto Public Library's approved 2016 operating budget is \$175.869 million net (\$193.462 million gross). Operating results are usually reported to the Toronto Public Library Board on a quarterly basis.

At its meeting on June 7, 2016, as part of its approval of the first quarter variance report, City Council approved the new four-year collective bargaining agreement between TPL and CUPE Local 4948, which includes \$1.497 million for cost of living adjustments for the bargaining unit and the \$0.370 million discretionary budget reduction.

Including a cost of living adjustment of \$0.178 million for non-union staff, which will be presented to Council as part of the second quarter variance report approval process, results in

an adjusted approved 2016 operating budget of \$177.175 million net (\$195.683 million gross).

COMMENTS

For the six-month period ending June 30, 2016, TPL is reporting a favourable net expenditure variance of \$0.440 million comprised of a favourable revenue variance of \$1.071 million partially offset by an unfavourable expenditure variance of \$0.631 million as shown in Attachment 1.

Higher than anticipated revenue is primarily from unplanned grants from the Toronto Public Library Foundation and other organizations to fund specific library initiatives.

The unfavourable expenditure variance of \$0.631 million consists of over-expenditures associated with equipment, services and rent offset by under-expenditures in salaries and benefits that are the result of retirements, staff movement (“staff churn”) and an organizational restructuring. As the new organizational structure is implemented and positions are filled, the budget is expected to be fully spent by year-end.

While the current projection is for the budget to be fully spent by year-end, the level of staff movement and implementation of the new organizational structure may result in a small operating surplus at year-end.

Expenditures and revenues are closely monitored in order to manage any budget pressures.

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

Attachment 1: Operating Budget Monitoring Report for the Period Ending June 30, 2016