

**Operating Budget Monitoring Report – April 30, 2019**

<b>Date:</b>	June 17, 2019
<b>To:</b>	Toronto Public Library Board
<b>From:</b>	City Librarian

**SUMMARY**

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The purpose of this report is to provide the Toronto Public Library (TPL) Board with a summary of the gross and net operating expenditures of TPL for the four-month period ending on April 30, 2019, as well as projected expenditures to December 31, 2019.

As of April 30, 2019, TPL is reporting a net unfavourable variance of \$0.510 million comprised of an unfavourable expenditure variance of \$1.545 million partially offset by a favourable revenue variance of \$1.035 million. TPL’s Council-approved 2019 operating budget is \$187.659 million net (\$206.880 million gross).

**FINANCIAL IMPACT**

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As of April 30, 2019, TPL is reporting a net unfavourable variance of \$0.510 million consisting of an unfavourable expenditure variance of \$1.545 million partially offset by a favourable revenue variance of \$1.035 million.

The Director, Finance & Treasurer has reviewed this financial impact statement and agrees with it.

**ISSUE BACKGROUND**

TPL’s Council-approved [2019 operating budget](#) is \$187.659 million net (\$206.880 million gross). Operating results are usually reported to the Toronto Public Library Board and the City on a quarterly basis. Due to the 2018 municipal elections and the late approval of the 2019 operating budget, City Council requested an operating variance submission for the four months ended April 30, 2019.

## COMMENTS

For the four-month period ending April 30, 2019, TPL is reporting a net unfavourable variance of \$0.510 million consisting of an unfavourable expenditure variance of \$1.545 million partially offset by a favourable revenue variance of \$1.035 million as shown in Table 1 below:

**TABLE 1**  
**TORONTO PUBLIC LIBRARY**  
**Operating Budget Monitoring Report**  
**For the Period Ending April 30, 2019**  
**(\$Millions)**

Expense/Revenue Category	Year-to-Date			12 Months ending December 31		
	2019 Actual	2019 Budget	Variance Fav/ (unfav)	2019 Projected	2019 Budget	Variance Fav/ (unfav)
Staffing Costs	52.381	52.108	(0.273)	151.633	151.633	-
Materials and Supplies	0.684	0.646	(0.038)	2.158	2.158	-
Library Materials	6.805	6.805	0.000	20.415	20.415	-
Equipment, Services and Rent	10.663	9.465	(1.199)	32.113	29.941	(2.172)
Contributions & Transfers	-	-	-	2.730	2.730	-
Other	0.037	0.002	(0.035)	0.004	0.004	-
<b>Total Gross Expenditures</b>	<b>70.570</b>	<b>69.025</b>	<b>(1.545)</b>	<b>209.052</b>	<b>206.880</b>	<b>(2.172)</b>
Grants	1.951	1.901	0.050	5.678	5.678	-
Fines, Fees and Room Rentals	1.681	1.847	(0.166)	5.775	5.775	-
Contributions & Transfers	1.400	1.400	-	5.482	5.482	-
Other	1.844	0.693	1.151	4.458	2.286	2.172
<b>Total Revenues</b>	<b>6.876</b>	<b>5.841</b>	<b>1.035</b>	<b>21.393</b>	<b>19.221</b>	<b>2.172</b>
<b>Net Expenditures</b>	<b>63.694</b>	<b>63.184</b>	<b>(0.510)</b>	<b>187.659</b>	<b>187.659</b>	<b>-</b>

Note: Totals may not add due to rounding

The year-to-date unfavourable expenditure variance of \$1.545 million is mainly attributable to: increased expenditures in equipment, services and rent related to specific library initiatives, which are fully funded by grants from TPL Foundation and others; and increased spending on information technology costs, infrastructure maintenance, and branch security due to requirements for an increase in security during regular branch hours in order to ensure the safety of customers and staff.

The year-to-date favourable revenue variance of \$1.035 million is mainly attributable to supplementary grant revenues of \$1.086 million from the TPL Foundation and others to fund

the costs of specific library initiatives, partially offset by lower than budgeted fines revenue. The decreasing fines revenues is a result of branch closures and the continued growth in the usage of e-materials and the introduction of additional methods for patrons to be notified of pending fines and to pay their fines in a timelier manner.

Operating expenditures and revenues are monitored and managed on an on-going basis to ensure that spending is within the approved budget.

## **CONTACT**

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## **SIGNATURE**

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Vickery Bowles  
City Librarian