



**STAFF REPORT
INFORMATION ONLY**

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Operating Budget Monitoring Report – September 30, 2012

Date:	November 29, 2012
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 gross and net expenditures of the Library for the nine months ending on September 30, 2012, and a year-end projection.

As of September 30, 2012, Toronto Public Library (TPL) reports a favourable net expenditure variance of \$3.906 million, consisting of a favourable expenditure variance of \$3.378 million and a favourable revenue variance of \$0.528 million. The year-to-date surplus is mainly due to staffing cost savings of \$3.5 million from the March 2012 Toronto Public Library Workers Union Local 4948 CUPE labour disruption and \$0.6 million of other savings related to the Voluntary Separation Program (VSP) and lower sick leave payouts.

The year-end projection of a \$5.011 million surplus is also mainly due to staffing cost savings from the labour disruption and other full-year savings related to the VSP and lower sick leave payouts.

FINANCIAL IMPACT

Net expenditures for the nine months ending September 30, 2012 were under-spent by \$3.906 million, mainly due to staffing cost savings of \$3.5 million from the March labour disruption and \$0.6 million of other savings related to the VSP and lower sick leave payouts.

The year-end projection of a \$5.011 million surplus is also mainly due to staffing cost savings from the labour disruption and other full-year savings related to the VSP and lower sick leave payouts. Staffing cost savings beyond the labour disruption are being analyzed to determine how much is a permanent budget saving. Any operating surplus at the end of the year is returned to the City.

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

ISSUE BACKGROUND

TPL's 2012 approved operating budget is \$179.706 million gross and \$164.778 million net, which includes in-year Council approved adjustments.

Operating results are usually reported to the Library Board on a quarterly basis.

COMMENTS

Year-to-Date Results

As of September 30, 2012, the Library has a favourable net expenditure variance of \$3.906 million consisting of a favourable expenditure variance of \$3.378 million and a favourable revenue variance of \$0.528 million. The current surplus mainly due to staffing cost savings includes:

- updated savings of \$3.5 million due to the labour disruption;
- additional staffing cost savings associated with the VSP implemented earlier in the year, including \$0.3 million permanent salary savings and \$0.3 million in temporary sick leave cost savings; and
- external grants and donations reflected under government grants and other revenue providing funds to cover over-expenditures for the cost of supplies, equipment and services to support specific programs.

Year-end Forecast

The year-end projection shows a net surplus of \$5.011 million which is also mainly related to staffing cost savings as noted in the Year-to-Date Results above, with full-year savings. Additional staffing cost savings have resulted from high staff mobility due to the implementation of the VSP. Staffing cost savings are being analyzed to determine if there are any additional permanent budget savings.

Attachment 1 provides 2012 year-to-date budget versus actual variances, as well as a year-end expenditure and revenue forecast with a projected year-end surplus.

CONTACT

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SIGNATURE

Jane Pyper
City Librarian

ATTACHMENTS:

Attachment 1: Operating Budget Monitoring Report for the Period Ending September 30, 2012