

**Operating Budget Monitoring Report – June 30, 2017**

<b>Date:</b>	September 25, 2017
<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 for the six-month period ending on June 30, 2017, as well as projected expenditures to December 31, 2017.

As detailed in Appendix A, as of June 30, 2017, TPL is reporting a favourable net expenditure variance of \$0.009 million comprised of an unfavourable expenditure variance of \$0.915 million and a favourable revenue variance of \$0.924 million. TPL’s Council-approved 2017 operating budget is \$179.108 million net (\$199.103 million gross) and is projected to be fully spent by year end. Operating expenditures are monitored and managed on an on-going basis to ensure that spending is within the approved budget.

**FINANCIAL IMPACT**

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As of June 30, 2017, TPL is reporting a favourable net expenditure of \$0.009 million comprised of an unfavourable expenditure variance of \$0.915 million and a favourable revenue variance of \$0.924 million. The operating budget is expected to be fully spent by year end.

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

**ISSUE BACKGROUND**

TPL’s Council-approved [2017 operating budget](#) is \$179.052 million net (\$199.047 million gross). Throughout 2017, the City made minor adjustments which result in a revised 2017 operating budget of \$179.108 million net (\$199.103 million gross). Operating results are usually reported to the Toronto Public Library Board and the City on a quarterly basis.

## COMMENTS

For the six-month period ending June 30, 2017, TPL is reporting a favourable net expenditure variance of \$0.009 million comprised of an unfavourable expenditure variance of \$0.915 million and a favourable revenue variance of \$0.924 million as shown in Appendix A.

The unfavourable expenditure variance of \$0.915 million is mainly attributable to: increased expenditures in materials and supplies and equipment, services and rent due to the enhancement of specific library initiatives that are funded by and fully offset with grant revenue from the TPL Foundation; and over-expenditures in utility costs as the result of colder than normal temperatures through the winter and spring seasons.

Favourable variance in staffing costs, mainly due to the extended NYCL closure, is offset by a transfer of operating budget savings to the NYCL capital project. The recommendation to apply \$4.000 million of operating savings from the extended closure of NYCL within 2017 to the capital plan in order to accelerate the NYCL project was approved by Council at its meeting on July 4, 2017 and therefore are not reflected in the budget amounts shown in this report as of June 30, 2017.

The favourable revenue variance of \$0.924 million is mainly attributable to supplementary revenue from the TPL Foundation to enhance specific library initiatives as discussed above.

The full year forecast, as shown in Appendix A, shows the budget fully spent.

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

## CONTACT

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## SIGNATURE

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Vickery Bowles  
City Librarian

## ATTACHMENTS

Appendix A: Operating Budget Monitoring Report Six-month period ending June 30, 2017

**TORONTO PUBLIC LIBRARY**  
**Operating Budget Monitoring Report**  
For the Period Ending June 30, 2017  
(\$Millions)

Expense/Revenue Category	Year-to-Date			12 Months ending December 31		
	2017 Actual	2017 Budget	Variance	2017	2017 Budget	Variance
	\$	\$	Fav/ (unfav) \$	Forecast * \$	\$	Fav/ (unfav) \$
Staffing Costs	72.444	74.140	1.696	143.607	147.576	3.969
Materials and Supplies	0.965	0.918	(0.047)	2.190	2.217	0.028
Library Materials	9.878	9.876	(0.002)	19.753	19.752	(0.001)
Equipment, Services and Rent	13.347	12.922	(0.425)	28.124	27.226	(0.898)
Contributions & Transfers	2.000	-	(2.000)	6.327	2.327	(4.000)
Other	0.139	0.002	(0.137)	0.005	0.004	(0.001)
<b>Gross Expenditures</b>	<b>98.773</b>	<b>97.858</b>	<b>(0.915)</b>	<b>200.006</b>	<b>199.103</b>	<b>(0.903)</b>
Grants	2.850	2.839	(0.010)	5.689	5.678	(0.011)
Fines, Fees and Room Rentals	2.577	2.531	(0.046)	5.096	5.062	(0.034)
Contributions & Transfers	2.729	2.729	-	7.085	7.085	-
Other	1.836	0.968	(0.868)	3.028	2.170	(0.858)
<b>Total Revenues</b>	<b>9.991</b>	<b>9.067</b>	<b>0.924</b>	<b>20.898</b>	<b>19.995</b>	<b>0.903</b>
<b>Net Expenditures</b>	<b>88.782</b>	<b>88.791</b>	<b>0.009</b>	<b>179.108</b>	<b>179.108</b>	<b>(0.000)</b>

Note: Totals may not add due to rounding