



To: Toronto Public Library Board – January 8, 2001

From: City Librarian

Subject: **Operating Budget Monitoring Report – November 30, 2000**

Purpose:

To advise the Toronto Public Library Board of the Library's financial position as at November 30, 2000.

Funding Implications and Impact Statement:

Not applicable.

Recommendation:

It is recommended that the Toronto Public Library Board receive the Operating Budget Monitoring Report – November 30, 2000 for information.

Background:

There is a net \$1.1 million favourable variance as at November 30, 2000 resulting from under expenditure in staffing costs, particularly offset by a shortfall in fines and fees revenue.

Comments:

- **Staffing Costs**
There is a net favourable variance in staffing costs of \$0.5 million, when compared to budget. However, the actual staffing costs include \$1.2 million in pay equity adjustments not budgeted. Without these pay equity adjustments, the favourable variance for staffing would have amounted to \$1.7 million. Much of this favourable variance is attributable to delays in hirings and delays in billings for benefits. By year-end, all benefits charges will be reflected in the Library's accounts.
- **Revenues**
A major shortfall in fines, room rental and photocopiers is occurring. The increased new fine rate will have an effect on later periods, but the year-end projections are expected to be short of budget. Other revenues are being supplemented by unanticipated interest income.

- Pay Equity

The Library has made a City-approved pay equity adjustment to certain eligible staff members' regular pay. Retroactive adjustments prior to July 2000 will be funded through an employee benefits reserve. Pay equity adjustments from July to December 2000, estimated at \$1.6 million, will be paid by TPL. The City is funding the negotiated \$1.6 million July to December 2000 pay equity expenditures by increasing the municipal levy.

Conclusion:

Overall projections indicate that the Library is on target to meet its overall budget. There will be an over-expenditure of salaries due to pay equity, offset by an equivalent increase in municipal levy.

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List of Attachments:

Toronto Public Library – 2000 Operating Budget Monitoring Report for the Period Ending November 30, 2000.