



## STAFF REPORT ACTION REQUIRED

9.

# 2012 Operating Budget and Associated Capital Budget Impacts Update

<b>Date:</b>	December 12, 2011
<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 Board with alternative service options to reducing open hours, to reach the operating budget reduction target of 10%. The options presented in this report would reduce the budget by \$7.327 million, which represents a 4.3% decrease to the 2011 operating budget; however, this could only be achieved over the two-year period of 2012 to 2013.

The reduction options presented in this report include: additional revenues and cost reduction; efficiencies from additional investment in sorters; service adjustments through the elimination of some services and programs; and a significant reduction to collections spending.

### **RECOMMENDATIONS**

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#### **The City Librarian recommends that the Toronto Public Library Board:**

1. approves a new fine of \$1 for each hold not picked up and the *Circulation and Collection Use Policy* be updated to incorporate this new fine when it comes into effect;
2. approves a \$195,000 reduction to the 2012 net operating budget request, comprised of a \$150,000 increase in revenues and a \$45,000 cost reduction;
3. approves an additional 2012 capital budget request of \$1.69 million to install an automated sorter at the Ellesmere delivery hub;
4. approves an additional 2012 capital budget request of \$1.00 million to install automated sorters at Don Mills, Malvern and Woodside Square branches;
5. approves a \$158,000 reduction to the 2012 net operating budget request, subject to Council approval, of funding for the four new sorters;
6. considers service adjustments through eliminating programs and services as shown in Table 3;
7. considers a \$3.0 million reduction to 2012 collections spending which represents 17.5% of the collections budget

8. forwards a copy of the Board's decision to the City's Budget Committee.

## FINANCIAL IMPACT

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At the meeting on October 17, 2011, the Board reviewed the *2012 Operating Budget Submission* and approved efficiencies and additional revenues of \$9.717 million net, which represent a 5.7% decrease from the 2011 budget. The balance of \$7.327 million, which represents 4.3% of the 10% reduction target, could be achieved by reductions in open hours (\$5.437 million) and collections (\$1.890 million).

The budget reduction options in this report provide alternatives to reducing open hours with total annual savings of \$7.327 million, which represents the remaining amount of savings required to fully meet the City's 10% reduction target. However, these savings can only be achieved over two years: \$5.162 million in 2012; and an additional \$2.165 million in 2013. Up to 37.4 Full Time Equivalent positions (FTEs) would be eliminated in 2012.

<b>Budget Reductions Summary</b>	2012	2013	Total	<b>FTE reduction</b>
	(\$000s)			
<b>Efficiencies and Revenue Increases</b>				
Additional revenues and cost reduction	195	50	245	
Additional sorters	158	312	470	7.0
	<u>353</u>	<u>362</u>	<u>715</u>	<u>7.0</u>
<b>Eliminate Services and Programs</b>				
Eliminate specialized services	176	58	234	3.0
Eliminate What's On and What's More publications	187	44	231	1.0
Eliminate high school and kindergarten outreach activities	161	82	243	2.0
Eliminate the Keep Toronto Reading Festival and One Book Community Reads Program	159	18	177	1.0
Eliminate children's and adult literacy programs	967	658	1,625	19.3
Eliminate bookmobile service	159	158	317	4.1
	<u>1,809</u>	<u>1,018</u>	<u>2,827</u>	<u>30.4</u>
<b>Reduce Collections</b>				
	3,000	785	3,785	
	<u>5,162</u>	<u>2,165</u>	<u>7,327</u>	<u>37.4</u>

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

## DECISION HISTORY

At its meeting on October 17, 2011, the Board reviewed the *2012 Operating Budget Submission* and adopted the following motions:

1. *approves a 2012 operating budget funding request of \$164.835 million net (\$179.565 million gross), which achieves \$9.717 million or 5.7% of the Library's 10% budget reduction target of \$17.044 million;*
3. *approves an additional one-time draw of Development Charges for collections of up to \$2 million in 2012 to assist with transitioning to full budget reductions in 2012, resulting in an operating budget submission of \$157.508 million net (\$174.239 million gross); and*
4. *authorizes staff to conduct public consultation about the impact of potential reductions in service hours and collections and directs staff to report on the results of consultation at the November or December Board meeting.*

With regards to recommendation 2 concerning a further budget decrease of \$7.327 million from service reductions to open hours (\$5.437 million) and collections (\$1.890 million), which represents 4.3% of the 10% reduction target, the Board adopted the following:

*...recommendation 2 be referred to the Budget Committee, to report back to the next regular Board meeting on alternatives to the proposed service reductions, including the feasibility of various cost-saving and revenue-generating ideas from Board members that shall be forwarded to the City Librarian prior to the Budget Committee meeting.*

The report from the Budget Committee, *2012 Operating Budget - Budget Suggestions*, was reviewed by the Board at its meeting on November 21 2011. The Board approved staff's recommendations contained in Appendix 1 of the report and requested the City Librarian to report back with further analysis on a number of the revenue generation suggestions.

The Board also adopted the following motions:

*That the Toronto Public Library Board:*

3. *does not recommend the closing of any library or the reduction of hours at any library, or any of the following proposals listed in Nos. 15 – 21 of Appendix 1:*
  15. *Thermostat (further temperature setbacks);*
  16. *Cut programming;*
  17. *Eliminate computers;*
  18. *Warehouse collections and reduce collections spending;*
  19. *Reduce size of branches;*
  20. *Close 38 branches;*
  21. *Close North York Central.*

- 4a. *defers recommendation 2, of the City Librarian's 2012 Operating Budget Submission report dated October 17, 2011 with the following amendment: That there be no reduction to branch open hours whatsoever, and that instead, the Board asks the City Librarian to recommend i) the one-time use of \$2 million in development charges; ii) practical revenue-generating and cost-saving ideas that can be implemented in 2012; iii) an adjustment to the service-delivery model of up to 60 full-time equivalents without any reduction to branch operating hours;*
- b. *requests the City Librarian to report directly to the next meeting of the Board on the details and value of these revenue-generating and cost-saving ideas, and how she plans on implementing these service-delivery model adjustments;*
- c. *includes, inter alia, a) the introduction of a fine for holds not picked up; b) acceleration of capital projects with operating impacts; c) the implementation of recommendations from the DPRA study that do not involve reducing open hours or closing libraries in these revenue-generating and cost-savings ideas.*

## **COMMENTS**

### **Open Hours and Collections Reduction**

As part of the *2012 Operating Budget Submission* report dated October 17, 2011, the Board considered, but did not approve, a proposal to save \$7.327 million, which represents 4.3% of the 10% reduction target, to be achieved by a 7% reduction in open hours (\$5.437 million) and a 11% reduction to the collections budget (\$1.890 million).

		<b>Reductions</b>
		<b>\$000's</b>
<b>Monday - Saturday Service Hours Reduction</b> (98 Branches: 2 Research & Reference (R&R), 17 District, 79 Neighbourhood; annual cost: \$76.604 million; 264,628 hrs of service)		
<b>Reduction Proposed</b>		
1 Reduction in service hours will limit access to collections, library programs, information service, internet services and With the proposed reduction, the weekly hours of operation for all the locations will be 2 R&R @ 56 hrs/wk, 17 Districts @ 56 hrs/wk, 25 Neighbourhoods @ 56 hrs/wk, 6 Neighbourhoods @ 50.5 hrs/wk, 9 Neighbourhoods @ 48 hrs/wk, 37 Neighbourhoods @ 40 hrs/wk and 2 Neighbourhoods @ 28 hrs/wk.		5,133
<b>18,408 or 7.0% fewer Mon-Sat hrs/yr</b> in 2 Research & Reference, 17 District and 37 Neighbourhood Branches (56 total branches)		
<ul style="list-style-type: none"> <li>● 2 Research &amp; Reference Libraries will go down to 56 hrs/wk, a loss of two mornings and one evening at one branch and two mornings at the other, resulting in a loss of 702 hours per year or 0.3%</li> <li>● 17 District branches will go down to 56 hrs/wk, an average loss of two mornings and one evening per week per branch, resulting in a loss of 6,890 hours per year or 2.6%</li> <li>● 25 Neighbourhood branches will go down to 56 hrs/wk, an average loss of two mornings per week per branch, resulting in loss of 8,008 hrs per year or 3.0%</li> <li>● 9 Neighbourhood branches will go down to 48 hrs/wk, a loss of one morning per week per branch, resulting in a loss of 1,170 hrs per year or 0.4%</li> <li>● 3 Neighbourhood branches will go down to 40 hrs/wk, a loss of one day per week per branch, resulting in a loss of 1,638 hrs per year or 0.6%</li> </ul>		
<b>Sunday Service Hours Reduction</b> (27 Branches: 2 R&R, 17 District, 8 Neighbourhood; annual cost \$2.312 million; 3,496.5 hours of service during 37 Sundays @ 3.5 hrs/day)		
<b>Reduction Proposed</b>		
2 Out of 27 locations, 19 locations will remain open for 37 Sundays.		304
<b>1,036 or 29.6% fewer Sunday hrs/yr from discontinued Sunday Service at 8 Neighbourhood Branches</b>		
<ul style="list-style-type: none"> <li>● 8 Neighbourhood Branches will discontinue Sunday Service</li> <li>● <i>2 R&amp;R and 17 District Libraries will remain open for 37 Sundays</i></li> </ul>		
Service will begin Jan.8 and will close for the summer on June 24, 2012 (23 Sundays)		
Service will resume Sep.9, 2012 and will end Dec.16, 2012 (14 Sundays)		
	Subtotal - Combined Hours (Mon-Sat + Sun) (reduced by 7% or 19,444 hrs/yr)	5,437
<b>Library Collections Reduction</b> (2011 annual budget is \$17.1M; average cost per item is \$17.90)		
<b>Reduction Proposed</b>		
3 Library Collections Budget permanently reduced by 11% resulting in loss of approximately 106,000 library items*		1,890
	<b>Total Reductions</b>	<b>7,327</b>

## City Manager's Library Service Efficiency Study

DPRA Canada was hired by the City Manager to conduct a Service Efficiency Study at Toronto Public Library (TPL). The results of the study are covered in a separate report to the Board, *City Manager's Library Service Efficiency Study*.

The DPRA report acknowledges TPL's efficient and effective operations and its commitment to continuous improvement using Lean Six Sigma principles. Through the Library-led review using these principles, efficiency savings of \$8.362 million and the reduction of 100 FTEs were identified as part of the *2012 Operating Budget Submission*, which includes a 10% reduction to staff in administrative and support areas.

The DPRA report validates the Library's efficiency initiatives in areas such as the consolidation of delivery hub operations, the streamlining of holds processes, the implementation of RFID technology, the review of management and administration, and the Library's ongoing development of strategies to increase virtual library services. In referencing the Library's review of management and administration, DPRA also acknowledges that the current management complement is less than 4% of the total workforce and less than 5% of the total FTE count and that a management review has been completed with a reduction of 6 FTEs planned for 2012.

Apart from branch consolidations and reducing open hours, the other initiative identified by DPRA to reduce costs in 2012 is the introduction of an automated sorter at the Ellesmere delivery hub. The introduction of a sorter at the delivery hub is included below, along with a proposal to request funding for three additional sorters to gain further efficiencies.

### **Staffing Model**

Staff resources are carefully allocated to maximize efficiency and effectiveness. This has been achieved through: scheduling efficiencies which enabled the Library to add 155.5 open hours per week in 2007 with no additional staffing; the introduction of RFID self-serve technology at our busiest locations which enabled the Library to add 165.5 open hours per week from 2009 to 2011 with no additional staffing; and operational efficiencies to use staff resources more effectively throughout all open hours to support the increasing volume of work that must be completed each day to handle the materials that circulate, are shelved and to maintain the collections. Work routines and services are integrated to maximize service delivery including information services, collection maintenance and programs. For example, the Ready for Reading early literacy program has an excellent program outline supported by quality training and materials for delivery in all branches. It is integrated with collections, programs and public spaces so that it can be delivered effectively and efficiently across the city. Given the efficiencies introduced over the past five years, the approved elimination of 100 positions through efficiencies in 2012, and the increasing public use, it is not viable to take away further staff resources from branch operations without either reducing open hours or services offered.

It should also be noted that as part of the Library's approved budget, a further reduction of \$3.8 million, or 2.9% of staffing costs, must be achieved through gapping, which is equivalent to leaving approximately 60 positions vacant throughout the year. This adds further pressure on the Library's staff resources.

In determining staffing requirements, the following factors are considered:

- minimum requirement for two staff in a branch when it is open to ensure safety for staff, the public and library collections and property;
- branch open hours;
- total branch use, including circulation (check ins and check outs), holds, information requests, programs, collections size, electronic use, visits;
- branch use patterns throughout the day;
- service requirements (e.g. provision of information service, registration, circulation services, etc.);
- safety of staff and customers;
- number of public service floors in the facility;
- adequate supervision of isolated areas;
- adequate supervision of children's and youth areas;
- maintenance of order requirements, e.g. computer workstation and learning centre monitoring to mediate customer concerns about access, ensure a welcoming environment for all.

## **Public Consultation Results**

The results of the public consultation process are covered in a separate report to the Board for the December 12, 2011 meeting, *Public Consultation Regarding Potential Service Reductions*.

## **One-time Use of Development Charges**

At its meeting on October 17, 2011, the Board approved a one-time draw of development charges of up to \$2 million from reserves to fund collections in 2012 to assist with transitioning to full budget reductions in 2012, which could include a 7% reduction to open hours to meet the budget reduction target of 10%.

At the meeting on November 21, 2011, the Board requested that the City Librarian assess the feasibility of using the one-time draw of \$2 million in development charges to partially offset the proposed reduction in open hours in 2012.

City Finance staff has indicated that they do not support the proposal for a one-time draw of up to \$2 million of development charges for any purpose. As a result, a further reduction to the collections budget would be required to transition in full budget reductions in 2012.

## **BUDGET REDUCTIONS**

Staff has identified further reduction options in this report as alternatives to reducing open hours, with total annual savings of \$7.327 million representing the remaining amount of savings required to fully meet the City's 10% reduction target. However, these savings can only be achieved over two years: \$5.162 million in 2012; and an

additional \$2.165 million in 2013. Up to 37.4 Full Time Equivalent positions (FTEs) would be eliminated in 2012.

## **Additional Revenues and Cost Reduction**

**Table 1**

**Additional Revenues and Cost Reduction**

	2012	2013	Total
(\$000s)			
Auditorium, meeting room and theatre rentals	50	50	100
Fee for holds not picked up	100		100
Revenue Increase	150	50	200
Reduced cost of library cards	45		45
	195	50	245

### *Auditorium, Meeting Room and Theatre Rentals*

At the meeting on November 21, 2011, the Board approved new rates for the rental of rooms and theatres, which are expected to increase revenues by approximately \$50,000 in 2012 and a further 50,000 in 2013.

### *Fine for Holds Not Picked Up*

At the meeting on November 21, 2011, the Board reviewed a report from the Budget Committee, *2012 Operating Budget – Budget Suggestions*, which included an assessment of a fine for holds not picked up. The assessment identified a number of efficiency initiatives that are currently underway that will result in the reduction of 12 FTEs. The assessment also noted that system changes would be required in order to efficiently implement a new fine for holds not picked up, including a more robust customer notification system and a customization to the Library's software to automatically charge the new fine. Once the efficiency initiatives and system changes have been completed, a new fine for holds not picked up could be introduced mid-year in 2012, with estimated revenues of \$100,000 in 2012. This requires that the Board approve a new fine of \$1 for each hold which is filled and not picked up and, if approved, the following additions will be made to the *Circulation and Collection Use Policy*:

#### *1.8 Holds*

*A charge is imposed when a hold is filled for a customer but not picked up.*

#### *Section 5.5 in the schedule*

*Hold not picked up \$1.00.*

### *Library Cards Contract*

In October 2011, the most recently retendered contract for the production of library cards resulted in a savings of \$45,000 annually.

## Additional Sorters

**Table 2**

Additional Sorters	Capital Cost	2012 Savings	2013 Savings	Total	FTE Reduction
	(\$000s)				
Sorter at Ellesmere delivery Hub	1,690	113	112	225	2.0
Sorters at Don Mills, Malvern and Woodside Square	1,000	45	200	245	5.0
	2,690	158	312	470	7.0

The \$9.717 million in efficiencies and increased revenues approved by the Board as part of the *2012 Operating Budget Submission* included \$1.924 million of technology-driven efficiencies, which included an investment in self-service technology for check-out in a number of branches, as well as introducing automated check-in sorters at four branches.

The DPRA report includes a recommendation for the installation of an automated sorter at the Ellesmere delivery hub, which would require a capital investment of \$1.69 million and would result in annual operating net savings of \$225,000, including the elimination of 2 FTEs. The estimated savings in 2012 would be \$113,000. As there is no provision in the Library's capital budget to purchase and install the equipment, City Finance staff has indicated that they are recommending that the Library's 2012 capital budget be increased by \$1.69 million to fund the sorter.

The main factors to be considered for assessing the potential for branch sorter installation are the volume of returns (minimum 450,000 per year) and the availability of suitable space to install the sorter. Only three additional branches meet these criteria: Don Mills, Malvern and Woodside Square. Earlier branch sorter assessments did not include these additional branches due to capital cost considerations and reduced benefit in comparison to the sorters already approved. However, the benefit realized would further assist in reducing ongoing operating costs.

A capital investment of approximately \$1 million would be required to achieve net savings of \$245,000, including the elimination of 5 FTEs. The estimated savings in 2012 would be \$45,000. As there is no provision in the Library's capital budget to purchase and install the additional sorters, an additional request that the Library's 2012 capital budget be increased by \$1 million to fund the three additional sorters is recommended.

## Eliminate Services and Programs

Torontonians from all backgrounds and walks of life rely on and benefit from the Library and use it for a diversity of needs - to borrow, to visit and ask questions, to read, study and self-teach, to attend programs and to access library services through online channels and resources.

As important as it is to have our libraries open and accessible to the public, it is equally important for all Torontonians in neighbourhoods and communities across the city to have access to a range and depth of relevant library programs, services and collections that meet their varied needs.

At the Board's request, staff has identified a number of programs and services which, if eliminated, could result in annual savings of up to \$2.827 million, including the elimination of 30.4 FTEs. These services have been developed over many years in response to customer need and in response to the changing library environment. Staff is not recommending these service cuts, as the identified programs and services meet important individual and community needs, and attract sponsorship, donor and partner support. Further, as the savings make up less than half of the budget shortfall, with only \$1.809 million of these savings achievable in 2012, they will not fully mitigate open hours reductions to branches. These service and programs, and the impact of their elimination are described below.

**Table 3**

Eliminate Services and Programs	2012	2013	Total	FTE reduction
	(\$000s)			
Eliminate specialized services				
Eliminate digital design studio	46	15	61	1.0
Eliminate Intellisearch Service	59	19	78	1.0
Eliminate art exhibit program	71	24	95	1.0
	<u>176</u>	<u>58</u>	<u>234</u>	<u>3.0</u>
Eliminate What's On and What's More publications	<u>187</u>	<u>44</u>	<u>231</u>	<u>1.0</u>
Eliminate outreach activities				
Eliminate high school outreach	116	38	154	1.0
Eliminate kindergarten outreach	45	44	89	1.0
	<u>161</u>	<u>82</u>	<u>243</u>	<u>2.0</u>
Eliminate the Keep Toronto Reading Festival and One Book Community Reads Program	<u>159</u>	<u>18</u>	<u>177</u>	<u>1.0</u>
Eliminate literacy programs				
Eliminate Ready For Reading program (pre-school)	316	314	630	8.0
Eliminate Leading to Reading program (children)	462	154	616	5.3
Eliminate Adult Literacy program (adults)	189	190	379	6.0
	<u>967</u>	<u>658</u>	<u>1,625</u>	<u>19.3</u>
Eliminate bookmobile service	<u>159</u>	<u>158</u>	<u>317</u>	<u>4.1</u>
	<u>1,809</u>	<u>1,018</u>	<u>2,827</u>	<u>30.4</u>

## Eliminate Specialized Services

**Table 3.1**

Programs and services	2012	2013	Total	FTE Reduction
	(\$000s)			
Eliminate specialized services				
Eliminate digital design studio	46	15	61	1.0
Eliminate Intellisearch service	59	19	78	1.0
Eliminate art exhibit program	71	24	95	1.0
	176	58	234	3.0

### *Eliminate the Digital Design Studio*

The Digital Design Studio at the Toronto Reference Library is a unique fee-based bookable service for public use that supports the Library's strategic initiative to ensure accessible technology for all. It offers the public hardware and software (on PC and Mac platforms) not readily available elsewhere to create quality digitally designed media. For a nominal fee, users can book time to edit movies and photographs, design web pages, apply optical character recognition scan documents, burn DVDs or CDs of their finished product. A knowledgeable staff member is available 24 hours a week to guide and support users in the use of the equipment. With the increase in the availability of web-based applications, some digital content is easier to create with standard PC configurations. The DDS staff member also delivers group user education sessions on digital applications for personal and business use. To date in 2011, he has delivered 64 sessions with a total attendance of 881.

Elimination of the studio will mean that the service, which is mainly self-serve and at a modest cost, will not be available to the public. Current users (students, small businesses, not for profit organizations) will not have access to the technology and staff support to build websites and professional level materials.

### *Eliminate IntelliSearch Service*

IntelliSearch is the Library's fee for research and document delivery service that operates out of the Business, Science and Technology Department at the Toronto Reference Library (TRL). For a cost recovery fee, staff will conduct specialized research or locate specific material from the TRL collections and deliver it to the user, most often in digital format. The fees are set to recover costs for research time, use of paid databases etc. The service is used by those who do not have time to conduct their own research or are not able to visit the TRL collections in person, but are willing and able to pay for a custom service.

Elimination of the service will mean that users will no longer have the option of their research being done for a fee when their needs could not be met by the traditional

library service. Some users will be able to migrate to the research fee service at the Rotman School of Management at the University of Toronto, although they will not have access to TRL's information resources. One position would be eliminated.

### *Eliminate Art Exhibit Program*

Under the Board's Use of Library Space for Art Exhibits Policy, the Toronto Public Library currently provides free space for art exhibits by local community artists in 18 branches. This free exhibit space enables Library visitors to participate in the creative life of their community, and presents community artists with a valued avenue for exhibiting their work locally. The Library's art exhibit program also supports Toronto's Creative Capital Gains Action Plan approved by Council in 2011. It leverages the use of existing public space, provides opportunities for partnerships and extends access to arts initiatives in local neighbourhoods across the city. Eliminating the Library's art exhibits program would directly impact approximately 200 artists and arts groups that exhibit in the Library spaces each year. The Library's branches would be less beautiful spaces without these displays of art. As well, the Library's connections with the artistic community would be diminished. These relationships have had substantial value for the Library, leading to many opportunities for creative and free partnership programming. For example, the recent Culture Days event brought 80 free programs and 2013 attendees to library branches during a weekend in September. One position would be eliminated.

### **Eliminate What's On & What's More Publications**

**Table 3.2**

<b>Programs and services</b>	2012	2013	Total	<b>FTE Reduction</b>
Eliminate What's On and What's More publications	187	44	231	1.0

### *Eliminate What's On and What's More print publications*

The What's On: Programs & Events at Toronto Public Library publication is the primary source of information for library customers to find out about all of TPL's programs and special events. The guide is printed quarterly and is distributed through the Library's 98 branches, and is given out as part of the Library's outreach activities.

The What's More 'Spotlight on Special Events & Exhibits' publication is an outreach tool to promote the Library's adult literary and cultural programming and special events. It is targeted to Torontonians who may not be familiar with what the Library has to offer in this area.

The content in the What's On and What's More publications is available on the Library's website, in the Programs and Events section. The information is stored in an events database which is fully searchable by location, date, program type, speaker, etc. For the

past year, the Library has also provided program and event information to our customers via an enewsletter, What's On at the Library.

Over the past two years, the Library has focused on transitioning customers from its print to online channels, in order to reduce costs and the amount of paper in its branches, and since that time, has reduced its print output and costs by over 20%. Still, while the website has been fairly well used by library customers to access program information, we know that the What's On and What's More print publications are very well-used and are in high demand by customers as a convenient and portable way to find and reference this information. The enewsletter subscription base continues to grow, but still only reaches a very small proportion of our customers (approximately 4000 people are subscribed to the newsletter to date).

The elimination of these print publications, especially What's On, would adversely affect those customers who are unable or uncomfortable using online channels to access information – in particular, older adults and Torontonians who do not have easy access to a computer. It would also have an impact on front-line staff as they would be required to answer more program-related questions and generate more branch- and program-specific information materials at the branch level. From the Foundation's perspective, these publications are also important benefit vehicles for sponsor and donor recognition, for the promotion of opportunities to support TPL, and awareness-raising vehicles for potential major donors.

The elimination of the What's On publication would also eliminate a source for future revenue growth in advertising. Over the past two years, the publication has seen an increase in advertising revenues, growing from \$8,000 to \$35,000.

### **Eliminate High School & Kindergarten Outreach Activities**

**Table 3.3**

<b>Programs and services</b>	<b>2012</b>	<b>2013</b>	<b>Total</b>	<b>FTE Reduction</b>
	(\$000s)			
Eliminate outreach activities				
Eliminate high school outreach	116	38	154	1.0
Eliminate kindergarten outreach	45	44	89	1.0
	<hr/> 161	<hr/> 82	<hr/> 243	<hr/> 2.0

#### *Eliminate the High School Outreach Program*

Since 2000, two outreach librarians (one full-time and one on temporary assignment for the academic year) take user education presentations into high schools across the City teaching students how the Library's electronic information resources can be used for their home work and research and support their academic achievement. They visit high schools in the Toronto District and Toronto Catholic School boards as well as some of the larger independent schools. Emphasis is first on reaching all schools in priority

neighbourhoods. The librarians demonstrate the Library's website and electronic databases with an emphasis on Canadian content, and students have hands-on practice time. Information about relevant teen programs and volunteer opportunities is also shared and students who do not have a library card are registered for one. During exam periods, the librarians visit Grade 8 classes to help prepare them for the transition to high school research requirements. Each year, the program delivers an average of 860 user education sessions to more than 23,000 students and teachers in 120 schools and registers more than 4,000 teens with library cards.

Cancellation of the program will be a significant loss to the development of research skills for thousands of high school students. Many schools do not have libraries or access to the same range and depth of electronic resources available at TPL. Classes are rarely able to visit the library for these skill development sessions because of the short duration of high school class periods, the cost of transportation and the need for travel permission slips. Fewer teens will have Library cards and will use the Library or its remote access resources.

Deloitte has sponsored the program with a \$10,000 sponsorship each year since 2007. Their commitment for 2012 is not yet in place but they are likely to renew. If the High School Outreach Program is discontinued, it is anticipated that Deloitte will be lost as a sponsor because this was the only program in which they were interested.

#### *Eliminate Kindergarten Outreach Program*

Kindergarten Outreach introduces kindergarten children and their families in Toronto to the Library's early literacy programs and services. Staff makes presentations to all kindergarten classes, either in the library or in the school. They explain how to get a library card and provide information about programs, services and resources for children at the Library. In 2010, the programme was delivered to 2,231 or 90% of kindergarten classes reaching 42,917 students. Since the inception of this program, library card registration of kindergarten children has increased by almost 16% and in 2101, 72% of kindergarten students had a library card.

TD Canada Trust has provided funding support for Kindergarten Outreach since 2004. TD support for the 2011/2012 school year is \$45,000 which covers the cost of all program materials. It is unlikely that TD would continue to support this and other children's literacy programs if staff resources to provide the program were not available.

## Eliminate the Keep Toronto Reading Festival and One Book Community Reads Program

**Table 3.4**

Programs and services	2012	2013	Total	FTE Reduction
(\$000s)				
Eliminate the Keep Toronto Reading Festival and One Book Community Reads Program	159	18	177	1.0

The Toronto Public Library's annual Keep Toronto Reading Festival and One Book Community Reads program promotes the joy of reading in Toronto and reinforces the library as a major contributor to and supporter of reading, literature and literary culture in the city. KTR and One Book programs and events are for Torontonians of all ages and are presented throughout the city. They are developed and presented by the library as well as through partnerships with business and cultural organizations across the city, and the month is also used to showcase the literary and cultural programming the Library already does throughout the year (e.g. Eh List, Appel Salon, etc.).

The earned, paid and in-kind media and promotion that accompanies the program: raises awareness of the Library, its services, and the role it plays in promoting and supporting reading and literary culture; drives new and increased visits to library branches by using programming as an entry point to the Library; and broadens the use of the Library's services among existing users, as well as introduces non-library users to the Library and its services.

Almost 7,000 Torontonians attended 80 KTR/One Book programs and events at 41 branches this past year, and the campaign generated more than 60 million impressions and engagements. Keep Toronto Reading/One Book is the only major awareness-raising campaign the Library does and because of its scale, it is highly leveraged by partner, sponsor and Foundation contributions, including in-kind advertising and promotion by the Toronto Star and CBC Radio and Television.

The discontinuation of KTR/One Book would eliminate a cost-effective and highly leveraged program that engages large numbers of Torontonians in the joy of reading and the literary culture of their city, while also raising awareness and encouraging the use of the Library for all Torontonians.

## Eliminate Children's & Adult Literacy Programs

Literacy programs are closely aligned to the Library's goal of encouraging reading for all ages. The Library has a long history in supporting lifelong learning and the love of reading.

**Table 3.5**

Programs and services	2012	2013	Total	FTE Reduction
	(\$000s)			
Eliminate literacy programs				
Eliminate Ready For Reading program (pre-school)	316	314	630	8.0
Eliminate Leading to Reading program (children)	462	154	616	5.3
Eliminate Adult Literacy program (adults)	189	190	379	6.0
	967	658	1,625	19.3

*Eliminate Ready For Reading Early Literacy Program (pre-schoolers)*

Ready for Reading provides high quality programs, services and resources to support reading readiness in Toronto children from birth to five years, their parents and caregivers. It offers information on reading tips and techniques, choosing the right books, rhymes and finger plays; learning activities and more. In 2010, 4,979 early literacy programmes attended by 84,017 children and 63,629 parents and caregivers were conducted in library branches across the city. The amount of staff time spent delivering these programs is low in comparison to the benefit received. Early literacy programs build the foundations for literacy and the joy of reading. They contribute school and lifelong success for children and their families. They foster a welcoming environment in branches as well as promoting library collections and reading.

The Toronto Public Library Foundation is a strong supporter of early literacy programmes at the Library. Funds in the amount of \$122,500 have been provided by an anonymous donor to develop and print a resource guide to support this program and it will be printed and distributed in 2012. Donors also support Ready for Reading outreach to at risk children, parents and caregivers. As a key component of early literacy, discontinuing these in-branch programs would discourage donor or sponsorship support. It would be difficult to find further funding for outreach if there are no in-branch programs to support the outreach. Funders like TD would potentially withdraw their support for related programs such as TD Summer Reading Club as they seek to enhance programs, not provide core operating for them to continue.

*Eliminate Leading to Reading Program (school age children grades 1 to 6)*

Leading to Reading is a reading practice program for children experiencing difficulty in reading. Children are matched with volunteers and meet for an hour each week in a supervised setting in a Library branch. The program runs year round in 39 branches with 1,800 children and 1,600 volunteers.

The Library's operating budget includes funding for Leading to Reading and the Foundation also provides approximately \$130,000 per year for Leading to Reading. With the elimination of operating budget funding for Leading to Reading, the Library could seek to run the program on a greatly reduced scale and scope. However, it would be present operational and access challenges and it would be difficult to maintain and

increase donor support for Leading to Reading without organizational support for this program.

#### *Eliminate Adult Literacy Program*

Volunteers conduct one-on-one tutoring for the adult literacy program serving over 300 learners annually who have the lowest levels of literacy, levels 1 and 2. (Level 3 is generally considered the level of skill necessary for proficiency in everyday life.)

Volunteers are trained and matched with learners to meet for weekly one-on-one tutoring sessions in one of 10 branches across the city.

As a community-based literacy program, there is no overlap with school board or college programs that provide training for higher levels of literacy proficiency in a classroom setting. Cross referral of learners is regularly done amongst literacy programs, so for instance, when staff assess learners who are not a correct fit for the Library's program, they are referred to another program. The Library's primary focus is:

- independence
- employment/workforce preparedness.

Through the Ministry of Training, Colleges and Universities' Literacy and Basic Skills program, support for literacy tutoring is provided with grant funding. In 2011, the Library's core funding was increased by the Ministry from \$59,000 to \$100,000.

The 300 volunteers in the adult literacy program contribute 16,800 hours of volunteer hours annually, which is equivalent to \$323,400 in contributions. Many of the volunteers have lengthy years of service: 18 volunteers have five or more years of service with a number of these having 10 and more years of service.

The elimination of the adult literacy program will leave significant gaps for adults with the lowest levels of literacy in communities across the city. Many volunteers with one-on-one tutoring expertise that has developed and been cultivated over the years will be lost. Even if it is possible to retain the provincial funding, it would be very difficult to operate a viable program.

#### **Eliminate Bookmobile Service**

**Table 3.6**

<b>Programs and services</b>	<b>2012</b>	<b>2013</b>	<b>Total</b>	<b>FTE Reduction</b>
Eliminate bookmobile service	159	158	317	4.1

The bookmobiles provide library service to residents who have difficulties accessing local branches due to socio-economic, geographic and linguistic barriers, including young children, seniors, newcomers and others who lack mobility such as people with disabilities. Bookmobile circulation in 2010 was 157,692 and there were over 51,000 visits.

There are two bookmobiles that operate on a 31-stop schedule representing 44 hours of service per week. Many of the stops are at apartment complexes, community centres and

shopping plazas across the city. In addition to checking out materials, staff answer questions, register borrowers for library cards and help customers find and reserve the materials they want. The bookmobiles are also used as an alternative service for branches closed on a temporary basis. For example, in 2011, bookmobile service is being provided at Mount Dennis while it is closed for renovations, and a stop was added at Metro Hall until the new Fort York/Bathurst branch opens in 2014.

The bookmobile service provides a flexible and timely response to changing community needs. As community demands shift, the scheduling and location of stops are changed to provide service where the need is greatest. As such, the bookmobiles have offered an alternative to the development of physical infrastructure. Eliminating bookmobile service would also represent a reduction in library open hours.

The Meighen Foundation has donated funds annually to the bookmobile service for a number of years to support the collections, equipment and vehicles. To date, \$60,000 is in a bookmobile replacement fund to help pay for the cost to replace one of the bookmobiles in 2015. If bookmobile service is cancelled, the vehicle replacement funds will need to be returned.

### **Reduce Collections**

**Table 4**

<b>Reduce Collections</b>	<b>2012</b>	<b>2013</b>	<b>Total</b>
Permanent reduction to collections	3,000	785	3,785

As noted above, City finance staff is not supporting the \$2 million development charge draw in order to assist with transitioning in full budget savings, placing pressure on the 2012 collections budget. If the collections budget is further reduced to achieve greater budget savings, this will have a major impact on the availability of new materials and will significantly impact the quality of library service.

A \$1.89 million reduction to collections has already been proposed to meet the 10% target, but was not approved by The Board. Staff has identified reduction options in this report as alternatives to reducing open hours that would require 2012 collections reductions of \$3.0 million or 17.5% of the collections budget. A further reduction to collections of \$0.785 million in 2013 would bring the cumulative total reductions to \$3.785 million or a 22% budget reduction.

A \$3.0 million reduction in 2012 is a significant decrease, will result in 168,000 fewer materials purchased and will impact circulation and visits to the Library. TPL's circulation of over 32 million is directly linked to the availability of current materials that meet the needs of the public. In the survey results on potential service reductions outlined in a separate report to the Board, 72.7% of respondents indicated they would use the library less if there were fewer new items available for browsing, research, borrowing

and filling holds. In comparison, 68.7% of respondents indicated that they would use the Library less if there were fewer open hours.

Despite the size of such a decrease in the budget, the priority for determining areas for reduction is always to minimize the impact on the public. The framework for determining areas for reduction includes identifying:

- collections with declining use such as mass market paperbacks;
- ways to reduce numbers of copies purchased as opposed to titles.

The impact of a \$3.0 million reduction in the collections budget is as follows:

- fewer copies purchased of popular materials in all formats meaning there will be longer wait times for holds and fewer new popular materials on branch shelves;
- fewer titles purchased, which reduces the scope and currency of materials available;
- funds will be deferred for replacements of classic and standard titles meaning there will be gaps in some subject areas.

To achieve all of the \$7.327 million savings in 2012, the collections spending would need to be reduced by a further \$2.165 million, for a total reduction of \$5.165 million or 30% of the collections budget.

## **CONCLUSION**

Toronto Public Library services a large geographic area with a large and widely diverse population base. The ability to offer a wide range of services and collections across the city responds effectively to identified needs and ensures that the Library continues to be effective and relevant in meeting its service mandate. Decisions about reductions to branch open hours, collections, programs and services need to take into account the balance required to maintain a public library service that is both sustainable and relevant for all Torontonians today and in the future.

## **CONTACT**

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## **SIGNATURE**

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Jane Pyper  
City Librarian