



STAFF REPORT INFORMATION ONLY

2014 Operating Budget Target

| | |
|--------------|------------------|
| Date: | June 10, 2013 |
| To: | Budget Committee |
| From: | City Librarian |

SUMMARY

The purpose of this report is to provide the Toronto Public Library Board's Budget Committee with an update of the 2014 operating budget target received from the City.

The 2014 operating budget target is an increase of 0%, which means that cost savings or additional revenues are required to offset budget pressures.

FINANCIAL IMPACT

A 2014 operating budget target increase of 0% means that cost savings or additional revenues are required to offset budget pressures.

As part of the 2013 operating budget submission, staff prepared the *Preliminary 2013 - 2015 Operating Pressures* that showed a 2014 budget outlook pressure of \$4.352 million representing a 2.6% annual budget increase. Based on a 0% target increase, cost savings or additional revenues totalling \$4.352 million would need to be found to meet target.

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

BACKGROUND

As part of the budget process, the City Manager and Deputy City Manager and Chief Financial Officer provide instructions to be used to complete the budget submission. Included in the instructions are budget targets.

COMMENTS

The operating budget instructions received by the Library in late May 2013, *2014 Operating Budget Directions and Guidelines*, included a 0% budget increase assigned to all divisions and agencies as shown on Attachment 1. With a 0% increase, the 2014 net operating budget would remain at the same level as the approved 2013 operating budget of \$165.360 million.

As part of the 2013 operating budget submission, staff prepared the *Preliminary 2013 - 2015 Operating Pressures* that showed a 2014 budget outlook pressure of \$4.352 million representing a 2.6% annual budget increase as extracted below:

| 2014 Incremental Outlook | | |
|---|----------------|------------------|
| STAFF | NET \$000s | % |
| 2013 COUNCIL APPROVED BUDGET | 1,713.4 | 165,359.6 |
| PRESSURES | | |
| Salaries & Benefits | | |
| COLA increase 1.75% | 2,379.3 | 1.4% |
| Reverse one extra working day | (476.9) | -0.3% |
| Step and progression pay | 316.5 | 0.2% |
| Fringe benefits increase | 218.7 | 0.1% |
| | 0.0 | 2,437.6 |
| Other Costs | | |
| Operating impact of capital projects | 20.0 | 0.6% |
| General economic increases | 973.0 | 0.4% |
| Library collections economic increase | 637.6 | 0.2% |
| | 20.0 | 1,914.2 |
| 2014 INCREMENTAL OPERATING PRESSURES | 20.0 | 4,351.8 |
| | | 2.6% |

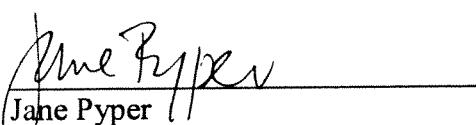
Based on a 0% target increase, cost savings or additional revenues totalling \$4.352 million would need to be found to meet target.

Library staff will update the 2014 operating budget outlook and report to the next meeting of the Budget Committee.

CONTACT

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SIGNATURE


Jane Pyper
City Librarian

ATTACHMENTS

Attachment 1: City of Toronto – 2014 Operating Budget – Budget Reduction Targets

Attachment 1

|  <p style="text-align: center;">City of Toronto 2014 Operating Budget Budget Reduction Targets</p> | | |
|--|--|----------------------------------|
| (In \$000's) | 2013 Net Approved Budget* (A) | 0% Reduction Target (B) |
| Citizen Centred Services "A" | | |
| Affordable Housing Office | 1,194.8 | 1,194.8 |
| Children's Services | 76,716.4 | 76,716.4 |
| Court Services | (13,783.2) | (13,783.2) |
| Economic Development, Culture & Tourism | 45,401.8 | 45,401.8 |
| Emergency Medical Services | 68,575.5 | 68,575.5 |
| Long Term Care Homes & Services | 45,947.3 | 45,947.3 |
| Parks, Forestry & Recreation | 273,071.4 | 273,071.4 |
| Shelter Support & Housing Administration | 218,869.3 | 218,869.3 |
| Social Development, Finance & Administration | 28,733.7 | 28,733.7 |
| Toronto Employment Social Services | 188,324.8 | 188,324.8 |
| Sub-Total Citizen Centred Services "A" | 933,051.9 | 933,051.9 |
| Citizen Centred Services "B" | | |
| City Planning | 14,430.4 | 14,430.4 |
| Fire Services | 361,378.8 | 361,378.8 |
| Municipal Licensing & Standards | 20,214.5 | 20,214.5 |
| Policy, Planning, Finance & Administration | 9,594.2 | 9,594.2 |
| Engineering & Construction Services | 7,604.2 | 7,604.2 |
| Toronto Buildings | (11,031.3) | (11,031.3) |
| Transportation Services | 205,955.5 | 205,955.5 |
| Sub-Total Citizen Centred Services "B" | 608,146.4 | 608,146.4 |
| Internal Services | | |
| Office of the DCM & Chief Financial Officer | 9,135.7 | 9,135.7 |
| Office of the Treasurer | 29,766.1 | 29,766.1 |
| Facilities Management & Real Estate | 63,174.1 | 63,174.1 |
| Fleet Services | 164.8 | 164.8 |
| Information & Technology | 67,846.5 | 67,846.5 |
| 311 Toronto | 10,360.1 | 10,360.1 |
| Sub-Total Internal Services | 180,447.2 | 180,447.2 |
| City Manager | | |
| City Manager's Office | 42,820.6 | 42,820.6 |
| Sub-Total City Manager | 42,820.6 | 42,820.6 |
| Other City Programs | | |
| City Clerk's Office | 31,039.2 | 31,039.2 |
| Legal Services | 19,353.1 | 19,353.1 |
| Office of the Mayor | 1,971.1 | 1,971.1 |
| City Council | 19,957.4 | 19,957.4 |
| Sub-Total Other City Programs | 72,320.8 | 72,320.8 |
| Accountability Offices | | |
| Auditor General's Office | 4,221.2 | 4,221.2 |
| Office of the Integrity Commissioner | 251.2 | 251.2 |
| Office of the Lobbyist Registrar | 1,087.3 | 1,087.3 |
| Office of the Ombudsman | 1,593.4 | 1,593.4 |
| Sub-Total Accountability Offices | 7,153.1 | 7,153.1 |
| TOTAL - CITY OPERATIONS | 1,843,940.1 | 1,843,940.1 |

Extracted from 2014 Operating Budget Directions &
Guidelines – Appendices 1 & 2 Revised, May 27, 2013

Attachment 1

|  City of Toronto 2014 Operating Budget Budget Reduction Targets | | |
|---|--|----------------------------------|
| (In \$000's) | 2013 Net Approved Budget* (A) | 0% Reduction Target (B) |
| Agencies | | |
| Toronto Public Health | 50,265.8 | 50,265.8 |
| Toronto Public Library | 165,359.6 | 165,359.6 |
| Association of Community Centers | 6,996.1 | 6,996.1 |
| Exhibition Place | (100.0) | (100.0) |
| Heritage Toronto | 311.8 | 311.8 |
| Theatres | 4,329.1 | 4,329.1 |
| Toronto Zoo | 11,110.7 | 11,110.7 |
| Arena Boards of Management | (15.7) | (15.7) |
| Yonge-Dundas Square | 436.5 | 436.5 |
| Toronto & Region Conservation Authority | 3,289.6 | 3,289.6 |
| Toronto Transit Commission - Conventional | 410,951.0 | 410,951.0 |
| Toronto Transit Commission - Wheel-Trans | 96,823.1 | 96,823.1 |
| Toronto Police Service | 927,811.2 | 927,811.2 |
| Toronto Police Services Board | 2,251.6 | 2,251.6 |
| TOTAL - AGENCIES | 1,679,820.3 | 1,679,820.3 |
| TOTAL LEVY OPERATING BUDGET (EXCL. CORP) | 3,523,760.5 | 3,523,760.5 |

* 2013 Council Approved Net Operating Budget including 1st Quarter in-year and management COLA & re-earnable adjustments pending Council approval at its meeting on June 11, 2013.