



To: Toronto Public Library Board – November 19, 2001

From: City Librarian

Subject: **Operating Budget Monitoring Report – October 31, 2001**

Purpose:

To advise the Toronto Public Library Board of the Library's financial position as at October 31, 2001.

Funding Implications and Impact Statement:

Not applicable.

Recommendation:

It is recommended that the Toronto Public Library Board receive for information the *Operating Budget Monitoring Report – October 31, 2001*.

Comments:

For the ten-month period ending October 31, 2001, the Library has a favourable variance (actual compared to budget) of \$577,000 which can be attributed to timing.

This year-to-date favourable variance results mainly from higher Other Revenue and underspending in the Materials and Supplies and the Services and Rents expense categories, partially offset by a shortfall in Fines and Fees revenue. There is also a \$176,000 favourable variance in Staffing Costs due mainly to savings resulting from rate variances in fringe benefits, partially offset by additional unbudgeted staffing costs related to special projects which are funded externally by Grant Revenue.

The Materials and Supplies favourable variance of \$272,000 is attributed mainly to the unexpended budget for patron photocopy cards offset by unrealized revenue in Fines and Fees.

The \$70,000 unfavourable Equipment variance results mainly from the purchase of a truck for \$32,000 which was funded by a grant from the Toronto Public Library Foundation which is reflected in Other Revenue.

The \$47,000 over-expenditure for Library Materials represents unbudgeted purchases for materials for Consumer Health Information Service and the Summer Reading Club, which are funded by grants and donations.

Services and Rents have a year-to-date underspending amounting to \$384,000 caused mainly by delays in the information technology leasing program.

Grants revenue indicate a favourable variance of \$543,000, which offsets increased staffing costs and library material purchases.

Fines and Fees have an unfavourable variance of \$938,000. This is caused mainly by a shortfall in photocopy revenue, which is being experienced by all large urban libraries, and unrealized revenues related to patron photocopy cards. This revenue category is 18% higher than the same period last year.

Other Revenue has a \$262,000 favourable variance resulting mainly from unbudgeted donations from the Toronto Public Library Foundation for the Summer Reading Club (\$163,000) and the purchase of the truck (\$32,000).

Conclusion:

Expenditures and revenue are monitored on a regular basis so that appropriate action can be taken to ensure that spending is within the approved budget.

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City Librarian

List of Attachments:

Operating Budget Monitoring Report – October 31, 2001