



To: Toronto Public Library Board – June 25, 2001

From: City Librarian

Subject: **Operating Budget Monitoring Report – April 30, 2001**

Purpose:

To advise the Toronto Public Library Board of the Library's financial position as at April 30, 2001.

Funding Implications and Impact Statement:

None.

Recommendation:

It is recommended that the Toronto Public Library Board receive the *Operating Budget Monitoring Report – April 30, 2001* for information.

Comments:

For the four-month period ending April 30, 2001, the Library is experiencing a small unfavourable variance to budget of \$186,000, which represents less than 0.2% of the annual budget. It is still relatively early in the year and staff are working on a detailed analysis and year-end forecast. The strategy of freezing library materials, as previously reported to the Board, by up to \$331,000 if required, combined with strict monitoring and controls over spending, will be used to manage expenditures to ensure that the annual budget is met.

This year-to-date unfavourable variance to budget of \$186,000 is mainly the result of unfavourable variances in Materials and Supplies, Services and Rent and Fines and Fees, largely offset by favourable variances in Staffing Costs.

Materials and Supplies indicate a \$67,000 unfavourable variance due mainly to the timing of expenditures against the amount budgeted. Certain materials and supplies are purchased in volume for most of the entire year and this unfavourable variance will reverse during the year. Services and Rent indicate a \$80,000 unfavourable variance of which one of the main contributing factors is the cost of heating. This is a result of the recent escalating natural gas charges and increased usage due to severe winter weather.

While Fines and Fees revenues increased \$363,000 over the prior year, a \$244,000 unfavourable budget variance is still shown. This is due mainly to the shortfall in fines, room rental and photocopy revenues.

Conclusion:

Expenditures and revenues will continue to be monitored and appropriate action taken to ensure that spending is within the approved budget.

Contact:

Larry Hughsam, Acting Director, Administration, Tel: 416-397-5946, Fax: 416-393-7115,
E-mail: lhughsam@tpl.toronto.on.ca

City Librarian

List of Attachments:

Toronto Public Library – Operating Budget Monitoring Report - For the Period Ending April 30, 2001