

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	1.4%
Other Costs			
Operating impact of capital projects	20.0	973.0	0.6%
General economic increases		637.6	0.4%
Library collections economic increase		303.6	0.2%
	20.0	1,914.2	1.2%
2014 INCREMENTAL OPERATING PRESSURES	20.0	4,351.8	2.6%

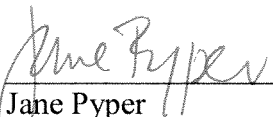
Based on a 0% target increase, cost savings or additional revenues totalling \$4.352 million would need to be found to meet target.

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