



STAFF REPORT ACTION REQUIRED

2024 Operating Budget - Adoption

Date: February 26, 2024

To: Toronto Public Library Board

From: City Librarian

SUMMARY

The purpose of this report is to seek Toronto Public Library Board adoption of the 2024 operating budget of \$230.714 million net (\$252.293 million gross), including 1,906.2 full-time equivalent positions (FTEs), as approved by City Council on February 14, 2024.

The 2024 budget represents a \$20.708 million net (\$20.312 million gross), or 9.9%, increase over the 2023 budget when excluding the 2023 COVID-19 impacts and is comprised of:

- 2024 COVID-19 impacts permanently part of base budget totalling \$2.925 million net (\$1.925 million gross), or 1.4%;
- funding to address the 2023 structural deficit totalling \$5.600 million net and gross, or 2.7%;
- annualization of prior-year approvals totaling \$1.241 million net (\$1.529 million gross), or 0.6%;
- base budget pressures totalling \$8.252 million net (\$8.567 million gross), or 3.9%; and
- budget enhancements totalling \$2.691 million net and gross, or 1.3%.

The budget enhancements include three additional Youth Hubs, which, together with a new Youth Hub set to open at Bridlewood as part of renovations to that branch, increases the total to 28 Youth Hubs across the city. Also part of the approved budget enhancements is funding for additional open hours over three years which include increased Monday to Saturday hours in eight branches and increased or new Sunday hours in eight branches in 2024.

The 2024 operating budget is an investment that will increase access to the services and supports that Toronto's residents and communities rely on to build success, resilience and well-being. With increased open hours and more Youth Hubs, TPL is able to increase digital inclusion, strengthen children and youth supports, and reduce barriers to access for equity-deserving groups.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. adopts the Council-approved 2024 operating budget of \$230.714 million net (\$252.293 million gross), which includes 1,906.2 full-time equivalent staff positions.

FINANCIAL IMPACT

The Council-approved 2024 operating budget is \$230.714 million net (\$252.293 million gross), an increase of \$20.708 million net (\$20.312 million gross) from the Council-approved 2023 Operating Budget (excluding 2023 COVID-19 impacts) as detailed in Attachment 1 and summarized below in Table 1.

Table 1: Council Approved 2024 Operating Budget (\$ millions)

	<u>FTEs</u>	<u>Gross</u>	<u>Revenue</u>	<u>NET</u>	<u>%</u>
2023 Council Approved Budget	1,838.3	234.610	21.051	213.559	
<u>2023 COVID-19 impacts</u>					
Guard Services		(1.500)		(1.500)	-0.7%
Health & Safety (PPE, RATs, supplies)		(1.160)		(1.160)	-0.5%
Reduction in revenues and related expenditures		0.031	0.925	(0.893)	-0.4%
	<u>-</u>	<u>(2.629)</u>	<u>0.925</u>	<u>(3.553)</u>	<u>-1.7%</u>
2023 Council Approved Budget less COVID-19 impacts	1,838.3	231.982	21.976	210.006	
2024 COVID-19 impacts		1.925	(1.000)	2.925	1.4%
Address 2023 structural deficit		5.600		5.600	2.7%
Annualization of prior year approvals		1.529	0.288	1.241	0.6%
New base budget pressures	10.0	8.567	0.316	8.252	3.9%
2024 Base Budget Increase	10.0	17.621	(0.397)	18.017	8.6%
2024 Operating Base Budget	1,848.3	249.602	21.579	228.023	8.6%
Budget Enhancements	57.9	2.691		2.691	1.3%
2024 Budget Increase	67.9	20.312	(0.397)	20.708	9.9%
2024 Council Approved Operating Budget	1,906.2	252.293	21.579	230.714	9.9%

The Director, Finance and Treasurer has reviewed this financial impact statement and agrees with it.

ALIGNMENT WITH STRATEGIC PLAN

TPL's 2024 operating budget advances TPL's strategic plan by:

- supporting an inclusive economic recovery as part of the City's recovery and rebuild strategy;
- advancing equity in the city and workplace, contributing to the shared outcomes of the City's equity strategies;
- ensuring the safety and security of TPL staff and customers in welcoming and accessible public spaces; and
- providing affordable, accessible and resilient digital supports as a public service for all.

The budget request also advances TPL's Digital Strategy as the Library continues to modernize its digital capabilities and business operations.

EQUITY IMPACT STATEMENT

TPL's 2024 budget supports an inclusive economic recovery as part of the City's recovery initiatives; provides affordable, accessible, and resilient digital supports as a public service; and advances equity in the city and workplace. The budget will have positive reconciliation & equity impacts for Indigenous, Black & all equity-deserving groups, including newcomers and low-income families and individuals. Access to library resources and programs can increase access to learning opportunities; City, Provincial, and Federal information; training and employment opportunities; as well as opportunities for civic engagement and community participation.

The budget will deliver on outcomes including:

- greater digital inclusion;
- increased access to literacy supports, services and programs; and
- reduced barriers to access for Indigenous, Black and all equity-deserving groups.

TPL's 2024 budget includes support to advance multiple Actions and Recommendations in City strategies, including the TPL actions and accountabilities embedded in the Toronto Poverty Reduction Strategy; Reconciliation Action Plan; Toronto Action Plan to Confront Anti-Black Racism; Toronto Newcomer Strategy; Toronto Seniors Strategy 2.0; Toronto Strong Neighbourhood Strategy 2020; Toronto Youth Equity Strategy; SafeTO; and the Gender Equity Strategy.

DECISION HISTORY

At its meeting on September 18, 2023, the Library Board received for information the [2024 Operating Budget - Status Update](#), which provided the 2024 budget outlook that was included in the approved 2023 operating budget. This update highlighted potential changes to the 2024 outlook including the need to address the 2023 operating budget structural deficit.

At the same meeting, the Board also endorsed TPL's [Open Hours Implementation Plan – Update \(2024\)](#), which approved the updated Open Hours implementation plan as well as the phased approach to implementation.

At its meeting on October 30, 2023, the Library Board received the [2024 Operating Budget Submission](#) Board Report and approved the 2024 operating base budget submission of \$228.023 million net (\$249.602 million gross), which represented a \$14.464 million net (\$14.992 million gross), or 6.8%, increase over the 2023 operating budget.

Also approved at the same Board meeting was a three year phased implementation operating budget enhancement for expanding open hours including \$2.450 million net and gross, or 1.2%, in 2024.

At its meeting on December 4, 2023, the Library Board received the [2024 Operating Budget Submission – Update](#) and approved the 2024 operating budget submission, which reflected revised directions from the City to isolate 2023 COVID-19 financial impacts separate from the base budget. This resulted in an increased base budget increase of \$18.017 million net (\$17.621 million gross), or 8.6%, over the 2023 budget.

TPL’s total 2024 budget submission of \$230.473 million net (\$252.052 million gross) remained unchanged from the submission presented at the October 30, 2023 Board meeting.

COMMENTS

At its final wrap up meeting on January 26, 2024, the City’s Budget Committee endorsed TPL’s 2024 Operating Budget with no changes.

On February 1, 2024, the Mayor prepared a proposed budget for the City for City Council’s consideration. The Mayor’s 2024 Operating Budget for TPL is comprised of the Budget Committee-endorsed 2024 operating budget of \$230.473 million net (\$252.052 million gross), which includes 1,900.2 FTEs, and adds a further increase of \$0.241 million net and gross, including an additional 6.0 FTEs, to support three new Youth Hub locations in 2024. The total Mayor’s 2024 operating budget for TPL is \$230.714 million net (\$252.293 million gross), including 1,906.2 FTEs, and is summarized in Table 2 below.

Table 2: Comparison of 2024 Operating Budget - Council Approved and December 4 Board (\$ millions)

	Council Approved			Dec 4 Board Meeting			Changes		
	FTEs	NET (\$ M)	%	FTEs	NET (\$ M)	%	FTEs	NET (\$ M)	%
2023 Council Approved Budget	1,838.3	213.559		1,838.3	213.559		-	-	
2023 COVID-19 financial impacts		(3.553)			(3.553)		-	-	
2023 Council Approved Budget (excluding COVID-19)	1,838.3	210.006		1,838.3	210.006		-	-	
2024 COVID-19 impacts		2.925	1.4%		2.925	1.4%	-	-	
Address 2023 structural deficit		5.600	2.7%		5.600	2.7%	-	-	
Annualization of prior year approvals		1.241	0.6%		1.241	0.6%	-	-	
New base budget pressures	10.0	8.252	3.9%	10.0	8.252	3.9%	-	-	
2024 Base Budget Increase	10.0	18.017	8.6%	10.0	18.017	8.6%	-	-	0.0%
2024 Operating Base Budget	1,848.3	228.023	8.6%	1,848.3	228.023	8.6%	-	-	0.0%
Budget Enhancements	57.9	2.691	1.3%	51.9	2.450	1.2%	6.0	0.241	0.1%
Total 2024 Budget Increase	67.9	20.708	9.9%	61.9	20.467	9.7%	6.0	0.241	0.1%
2024 Council Approved Budget	1,906.2	230.714	9.9%	1,900.2	230.473	9.7%	6.0	0.241	0.1%

At City Council meeting on February 14, 2024, TPL's [2024 Operating and Capital Budgets](#) of \$230.714 million net (\$252.293 million gross), which includes 1,906.2 FTEs, was approved with no changes from the Mayor's proposed budget of February 1, 2024.

Approved 2024 Operating Budget

TPL's total Council-approved 2024 operating budget is \$230.714 million net (\$252.293 million gross), which represents a \$20.708 million net (\$20.312 million gross), or 9.9%, increase over the 2023 budget when excluding the 2023 COVID-19 impacts and is comprised of:

- COVID-19 impacts permanently part of base budget totalling \$2.925 million net (\$1.925 million gross), or 1.4%;
- funding to address the 2023 structural deficit totalling \$5.600 million net and gross, or 2.7%;
- annualization of prior-year approvals totaling \$1.241 million net (\$1.529 million gross), or 0.6%;
- base budget pressures totalling \$8.252 million net (\$8.567 million gross), or 3.9%; and
- budget enhancements totalling \$2.691 million net and gross, or 1.3%.

A preliminary allocation of the 2024 operating budget by expenditure/revenue category types is summarized in Table 3 below.

Table 3: Summary of 2024 Operating Budget by Expenditure / Revenue Category (\$ millions)

	2023 Council Approved Budget, less COVID	2024 Council Approved Budget	2024 increase / (decrease)					Total
			COVID-19 impacts	Address 2023 structural deficit	Ann. of prior year appr.	New base budget press.	Budget Enh.	
Staffing Costs	169.030	183.130		4.262	1.529	5.745	2.565	14.100
Materials and Supplies	2.415	3.138	0.250			0.473		0.723
Library Materials	21.448	21.984				0.536		0.536
Equipment, Services and Rent	39.595	42.599	1.675			1.204	0.127	3.005
Contributions & Transfers to Reserves	0.400	1.442		0.432		0.610		1.042
Other Expenses	-	-						-
Unallocated Budget Reduction	(0.906)	0.000		0.906				0.906
Total Gross Expenditures	231.982	252.293	1.925	5.600	1.529	8.567	2.691	20.312
Grants	5.714	5.714						-
User Fees and Room Rentals	4.956	3.956	(1.000)					(1.000)
Contributions & Transfers from Reserves	6.619	6.725				0.106		0.106
Other Revenues	4.687	5.184			0.288	0.210		0.498
Total Revenues	21.976	21.579	(1.000)	-	0.288	0.316	-	(0.397)
Net Expenditures	210.006	230.714	2.925	5.600	1.241	8.252	2.691	20.708
			1.4%	2.7%	0.6%	3.9%	1.3%	9.9%

Staffing Costs

TPL's base budgeted staffing costs will be increased by approximately \$14.100 million and is comprised of:

- \$4.262 million increase related to addressing TPL's 2023 structural deficit;
- \$1.529 million increase related to the annualization of prior year Council approvals to provide full year funding for new initiatives that were added for partial year in 2023, including alternative approaches to safety; digital service modernization; digital literacy for seniors; and community-based service for equity deserving populations;
- \$5.745 million increase in new base budget pressures related to:
 - salary and benefit cost of living adjustments for union and non-union staff totalling \$4.548 million net;
 - operating impact of capital totalling \$0.969 million, including 7.0 FTEs;
 - additional staffing to support accessibility, equity and inclusion and staff development totalling \$0.228 million, including 3.0 FTEs; and
- \$2.565 million related to TPL's Open Hours and additional Youth Hubs budget enhancements as detailed later in this report.

Materials and Supplies

Increase of \$0.723 million related to an increase in health and safety supplies and other increases to address inflationary pressures.

Equipment, Services and Rents

With the inflation rate at its highest level in over 30 years, there is an increase of \$3.005 million related to an increased level of guard services and economic increases for facility and IT-related contracts.

Contributions and Transfers to Reserves

The approved budget also includes an increased contribution to the Fleet reserve of \$1.042 million to address increasing costs of vehicles, including the shift to electric vehicles, plus the restoration of the 2023 contribution to the reserve that was a one-time bridging strategy.

Unallocated reduction

The approved budget also includes the reversal of a one-time bridging strategy from the 2023 budget totalling \$0.906 million.

User Fees and Room Rentals

Decrease of \$1.000 million, primarily related to decreased print and tenants and leases revenue as impacted by COVID-19, now permanently reflected in the budget.

Contributions & Transfers from Reserves

Increase of \$0.106 million primarily related to increase of recovery of project management costs related to TPL's 2024-2033 Capital Budget and Plan.

Other Revenues

Net increase of \$0.498 million related to increased funding from Toronto Public Library Foundation comprised of:

- \$0.288 million to fund the annualization of the 2023 service enhancement of Community-based service for equity deserving populations; and
- one-time funding of \$0.210 million related to TPL's contribution to the fleet reserve.

2024 Budget Enhancements

TPL's 2024 budget enhancements totals \$2.691 million net and gross, or 1.3%, including 57.9 FTEs, as summarized in Table 4 below.

Table 4: 2024 Budget Enhancements (\$ millions)

	<u>FTEs</u>	<u>NET</u>	<u>%</u>	<u>Equity Impact</u>
Open Hours Plan - 2024 implementation	51.9	2.450	1.2%	High - Positive
- 8 branches receiving increased Monday-Saturday service				
- 8 branches receiving increased Sunday service				
Additional Youth Hubs	6.0	0.241	0.1%	Medium - Positive
	<u>57.9</u>	<u>2.691</u>	<u>1.3%</u>	

The 2024 enhancements achieve important strategic outcomes for Torontonians of all ages and backgrounds, including: greater digital inclusion and literacy, increased early childhood literacy, and reduced barriers to access for equity-deserving groups, seniors and youth. Expanded hours also help advance and increase the impact of key City of Toronto strategies, including current City initiatives involving youth violence prevention and increased community safety.

These budget enhancements will have a positive impact on many equity-deserving groups, including newcomers and low-income families and individuals. Access to library resources and programs can increase access to: learning opportunities, training and employment opportunities, as well as opportunities for civic engagement and community participation.

These investments advance key City strategies including: Toronto Newcomer Strategy, Toronto Poverty Reduction Strategy, Toronto Seniors Strategy, Toronto Strong Neighbourhood Strategy 2020 and Toronto Youth Equity Strategy, as well as TPL's strategic plan.

Open Hours Plan (2024) – 2024 implementation

Three phases of the Open Hours plan are included in the budget with implementation over the next three years including \$2.450 million net and

gross, or 1.2%, in 2024 with annualized costs of \$5.375 million net, including 51.9 FTEs.

Increasing open hours responds to post-pandemic patterns of work, study, education and leisure in Toronto. A key finding from public consultations done as part of TPL's Strategic Planning process, as well as ongoing customer surveys, indicates that easy, convenient and local access to library services, at the customer's point of need, is very important to Torontonians.

A phased implementation to complete the Open Hours Implementation Plan was approved by the Board at its meeting on September 18, 2023. Phasing allows the cost to be spread over multiple budget years. It facilitates implementation by distributing hiring and onboarding work over time.

The 2024 implementation of Open Hours, the first phase of the three phases approved, will include:

- Four branches (Black Creek, Burrows Hall, Cliffcrest and St. James Town) moving from 40 hours to 65.5 hours per week, adding one additional day and additional morning and evening of service to these branches beginning in July;
- Four branches (City Hall, Hillcrest, Humberwood and McGregor Park) moving from 40 hours to 62.0 hours per week, adding one additional day and one additional morning and evening of service to these branches beginning in July;
- increased hours, including Sunday hours, in Special Collections at the Merrill Collection of Science Fiction, Speculation & Fantasy and the Osborne Collection of Early Children's Books service points in the Lillian H. Smith Branch; and
- Eight branches (Beaches, City Hall, Danforth/Coxwell, High Park, Locke, Deer Park, Riverdale and Woodside Square) gaining new seasonal or additional summer Sunday hours beginning in September.

The implementation of the second and third phases of the Open Hours Plan (2024) over the next two budget cycles is summarized in Table 5 below.

Table 5: Phased Open Hours Plan Implementation

	2025		2026		2027	
	<u>FTEs</u>	<u>NET</u>	<u>FTEs</u>	<u>NET</u>	<u>FTEs</u>	<u>NET</u>
<u>Open Hours Plan - 2024 implementation</u>		2.925				
- 8 branches receiving increased Monday-Saturday service						
- 8 branches receiving increased Sunday service						
<u>Open Hours - 2025 implementation</u>	20.6	1.675		2.436		
-16 branches receiving increased Monday-Saturday service						
- 5 branches will get summer Sunday service						
- All Sunday branches will increase to 5.0 hours of service						
<u>Open Hours - 2026 implementation</u>			17.3	0.494		0.987
- 8 branches receiving increased Monday-Saturday service						
	<u>20.6</u>	<u>4.600</u>	<u>17.3</u>	<u>2.930</u>	<u>-</u>	<u>0.987</u>

Additional Youth Hubs

The additional funding totalling \$0.241 million net and gross (full year costing of \$0.724 million net and gross), including 6.0 FTEs, will help support three new Youth Hubs at Toronto Reference Library, Brentwood and Maryvale. Together with a new Youth Hub set to open as part of the Bridlewood renovation that is included in the operating impact of capital, the total number of Youth Hubs will increase to 28.

This increase to TPL Youth Hub spaces is part of TPL's broader Youth Service Strategy, which includes the expansion of Youth Hub service locations to offer greater geographic equity and reduce barriers, such as distance and transportation, in accessing this popular service. TPL Youth Hubs are located in or near Neighbourhood Improvement Areas and focus on providing youth aged 13-19 with homework assistance, access to technology, and to programs that help develop digital literacy and social and leadership skills, in a safe and welcoming environment under the supervision of adults. Youth have opportunities to give input into and to help organize activities based on their needs and interests. Youth Hubs are open during after school hours, Mondays to Fridays and during the summer.

These Youth Hubs are expected to be open in September 2024.

2024 COVID-19 budget pressures

COVID-19 had a significant impact on operations in 2023, and the expectation is that many budget pressures will continue into 2024 as TPL continues to ensure all safety precautions are available for staff and customers.

Comparison of the 2023 and 2024 COVID-19 budget pressures are detailed in Table 6 below.

Table 6: COVID-19 Pressures (\$ millions)

	2023 Budget	2024 Budget	Net Change
Guard services	1.500	1.675	0.175
Health & Safety (PPE, RATs, supplies)	1.160	0.250	(0.910)
Reduction in Revenue	0.893	1.000	0.107
COVID-19 Impacts (\$ M)	3.553	2.925	(0.629)

The 2024 COVID-19 budget-related pressures total \$2.925 million net (\$1.925 million gross) and is comprised of:

- increased security guard service costs totalling \$1.675 million to support safety and compliance with the Code of Conduct in the branches;
- increased health and safety, including PPE and rapid antigen testing kits totalling \$0.250 million; and
- revenue losses totalling \$1.000 million primarily related to decreased print and tenant and leases.

This is the last year that COVID-19 pressures will be called out separately and will be permanently part of the base budget in future budgets.

2025-2026 Operating Budget Outlooks

As detailed in Attachment 1, TPL's Council-approved 2024 Operating Budget includes a 2025-2026 outlook which includes a net increase of 5.6% and 3.5% respectively, excluding staff cost of living adjustments as the current collective agreement expires at the end of 2024.

A key driver in the 2025-2026 outlook is the ongoing funding for prior-year approved enhancements including: Financial Empowerment Service; Social Services Team; additional Youth Hubs; and the second phase of TPL's Open Hours Plan (2024). This represents a major investment by Council in TPL operations, which recognizes the Library's important role in the social infrastructure of the city.

CONCLUSION

TPL's Council-approved 2024 operating budget will enable TPL to maintain existing service levels and manage adjustments to services in response to changing conditions and disruptions. The budget allows for investments in additional digital and community-based services that support vulnerable populations and responds to several key issues and challenges the Library is facing including high inflation, safety and security issues, supply chain disruptions and the 2023 structural budget deficit.

Overall, the 2024 operating budget is an investment that will increase access to the services and supports that Toronto's residents and communities rely on to build success, resilience and well-being. With increased open hours and more Youth Hubs, TPL is able to increase digital inclusion, strengthen children and youth supports, and reduce barriers to access for equity-deserving groups.

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SIGNATURE

Vickery Bowles
City Librarian

Attachment 1: Council-approved 2024 Operating Budget and 2025-2026 Outlook

TORONTO PUBLIC LIBRARY

COUNCIL APPROVED 2024 OPERATING BUDGET AND 2025 - 2026 OUTLOOK

		2024				2025			2026			
		Staffing FTEs	GROSS	REVENUE	NET	%	Staffing FTEs	NET \$Millions	%	Staffing FTEs	NET \$Millions	%
			\$Millions									
2023 Council Approved Budget		1,838.3	234.610	21.051	213.559		1,906.2	230.714		1,932.3	243.674	
2023 COVID-19 Impacts												
1	Guard Services		(1.500)		(1.500)	-0.7%						
2	Health & Safety (PPE, RATs, supplies)		(1.160)		(1.160)	-0.6%						
3	Reduction in revenues and related expenditures		0.031	0.925	(0.893)	-0.4%						
			(2.629)	0.925	(3.553)							
2023 Council Approved Budget, excluding COVID		1,838.3	231.982	21.976	210.006		1,906.2	230.714		1,932.3	243.674	
2024 COVID-19 Impacts												
4	Guard services		1.675		1.675	0.8%		0.084	0.0%		0.088	0.0%
5	Health & Safety (PPE, RATs, supplies)		0.250		0.250	0.1%						
6	Reduction in revenues			(1.000)	1.000	0.5%						
		-	1.925	(1.000)	2.925	1.4%	-	0.084	0.0%	-	0.088	0.0%
Annualization of prior year approvals												
7	Alternative approaches to security		0.776		0.776	0.4%						
8	Digital service modernization		0.310		0.310	0.1%						
9	Digital literacy for seniors		0.155		0.155	0.1%						
10	Community-based service for equity deserving populations		0.288	0.288	-	0.0%	(4.0)	-	0.0%			
11	Financial empowerment service							0.248	0.1%			
12	Social service team							0.500	0.2%			
13	Open Hours - Phase 1							2.925	1.3%			
14	Additional Youth Hubs							0.483	0.2%			
15	Open Hours - Phase 2						20.6	1.675	0.7%		2.436	1.0%
- 2 branches go to 65.5 hours (from 50.5)												
- 5 branches will get summer Sunday service												
- All Sunday branches will be 5.0 hours of service												
- 14 branches go to 50.5 hours (from 40.0)												
16	Open Hours - Phase 3									17.3	0.494	0.2%
- 5 branches go to 62.0 hours (from 50.5)												
- 3 branches go to 65.5 hours (from 62.0)												
		-	1.529	0.288	1.241	0.6%	16.6	5.831	2.5%	17.3	2.930	1.2%
Addressing 2023 Structural Deficit												
17	Vacancy experience savings - to avoid service reductions		1.500		1.500	0.7%						
18	Unallocated budget reduction - to avoid service reductions		0.906		0.906	0.4%						
19	Decreased base vacancy experience		2.762		2.762	1.3%						
20	Fleet reserve contribution		0.432		0.432	0.2%						
		-	5.600	-	5.600	2.7%	-	-	0.0%	-	-	0.0%
New Base Budget Pressures												
Staffing Costs												
21	Salary and benefits cost of living adjustments*		4.046		4.046	1.9%		1.749	0.8%		1.824	0.7%
22	Additional day of work (Leap Day)		0.502		0.502	0.2%		(0.502)	-0.2%			
		-	4.548	-	4.548	2.2%	-	1.247	0.5%	-	1.824	0.7%
Economic Increases												
23	Contracted services		1.246		1.246	0.6%		1.121	0.5%		1.177	0.5%
24	Library materials		0.536		0.536	0.3%		0.550	0.2%		0.563	0.2%
25	Supplies, services & rent		0.473		0.473	0.2%		0.207	0.1%		0.167	0.1%
26	Utilities		0.219		0.219	0.1%		0.279	0.1%		0.307	0.1%
			2.475		2.475	1.2%		2.157	0.9%		2.215	0.9%
Other Base Budget Pressures												
27	Operating impact of capital	7.0	0.969	0.106	0.864	0.4%	9.5	1.414	0.6%	-	0.400	0.2%
28	Accessibility, equity and inclusion & staff development	3.0	0.228		0.228	0.1%		0.228	0.1%			
29	Asset replacement reserve contribution		1.400		1.400	0.7%		1.000	0.4%		1.000	0.4%
30	Contribution to fleet reserve		0.610	0.210	0.400	0.2%		(0.400)	-0.2%			
		10.0	3.207	0.316	2.891	1.4%	9.5	2.242	1.0%	-	1.400	0.6%
Affordability Measures/Savings												
31	Forgo contribution to asset replacement reserve		(1.400)		(1.400)	-0.7%		1.400	0.6%			
32	Line by line efficiencies		(0.262)		(0.262)	-0.1%						
		-	(1.662)	-	(1.662)	-0.8%	-	1.400	0.6%	-	-	0.0%
		10.0	8.567	0.316	8.252	3.9%	9.5	7.045	3.1%	-	5.439	2.2%
Base Budget Increase		10.0	17.621	(0.397)	18.017	8.6%	26.1	12.960	5.6%	17.3	8.457	3.5%
2024 Operating Base Budget Submission		1,848.3	249.602	21.579	228.023	8.6%	1,932.3	243.674	5.6%	1,949.6	252.131	3.5%
Budget Enhancements												
33	Open Hours Plan - Phase 1	51.9	2.450		2.450	1.2%						
- 4 branches go to 65.5 hours (from 40.0)												
- 4 branches go to 62.0 hours (from 40.0)												
- Introduce seasonal Sunday service to 5 branches												
- 3 branches get summer Sunday service												
34	Additional Youth Hubs	6.0	0.241		0.241	0.1%						
		57.9	2.691	-	2.691	1.3%	-	-	0.0%	-	-	0.0%
Total Budget Increase		67.9	20.312	(0.397)	20.708	9.9%	26.1	12.960	5.6%	17.3	8.457	3.5%
2024 Council Approved Operating Budget Submission and 2025-2026 Outlook		1,906.2	252.293	21.579	230.714	9.9%	1,932.3	243.674	5.6%	1,949.6	252.131	3.5%

* Collective agreement ends December 31, 2024. Salary and benefit estimates in 2025 and 2026 do not include cost of living adjustments



2024 operating budget adoption

TPL Board Meeting

February 26, 2024

2024 operating budget

key issues and opportunities

COVID and inflation-related impacts

- Inflation-related contract pressures, economic increases
- COVID-related impacts on revenues, increased health and safety costs, unpredictable impact on operations and staffing
- Operational impacts related to staff shortages caused by the pandemic and by a challenging labour market.

Digital Services modernization

- Accelerate digital capabilities and infrastructure transition to the Cloud
- Increase cyber security controls
- Improve data-driven decision-making

Equitable access to library services

Seniors, people in racialized communities and other vulnerable people face barriers to access while being the most in need of library services that will support their resilience, well-being, and economic support and recovery.

Safety & security

Increased costs and impacts on human resources to provide required supports to address incident prevention and response (safe facility design, security audit, security systems, adjusted security guard coverage, staff training)

total increase

↑ 9.9%

\$20.7 million

+67.9 positions

2024 operating budget

total budget: \$252.3 million
1,906.2 positions

COVID
impact

1.4 %

\$2.9 million



structural
deficit

2.7%

\$5.6 million



prior year
approvals

0.6%

\$1.2 million



base budget
increase

3.9%

\$8.2 million

budget
enhancement

1.3%

\$2.7 million



2024 operating budget (\$ millions)

	<u>FTEs</u>	<u>Gross</u>	<u>Revenue</u>	<u>NET</u>	<u>%</u>
2023 Approved Budget	1,838.3	234.610	21.051	213.559	
Less: 2023 COVID-19 impacts		(2.629)	0.925	(3.553)	
2023 Approved Budget, excluding COVID-19	1,838.3	231.982	21.976	210.006	
2024 COVID-19 impacts		1.925	(1.000)	2.925	1.4%
Addressing 2023 structural deficit		5.600	-	5.600	2.7%
Annualization of prior year approvals		1.529	0.288	1.241	0.6%
New base budget pressures	10.0	8.567	0.316	8.252	3.9%
	10.0	17.621	(0.397)	18.017	8.6%
Budget Enhancements	57.9	2.691	-	2.691	1.3%
2024 Budget Increase	67.9	20.312	(0.397)	20.708	9.9%
2024 Operating Budget	1,906.2	252.293	21.579	230.714	9.9%

2024 operating budget

open hours service enhancement

new!

2024

+8 branches will have increased **Monday to Saturday** service

+8 branches will receive increased **Sunday** service

Merril & Osborne Special Collections increased **Monday to Saturday** service

2025

+16 branches will have increased **Monday to Saturday** service

+5 branches will move to **Year Round Sunday** service

All 67 Sunday branches will increase to **5.0 hours per week**

2026

+8 branches will have increased **Monday to Saturday** service

2024 operating budget youth hub service enhancement

new!

+3 new Youth Hubs

- Maryvale branch
- Toronto Reference Library
- Brentwood branch

Total of **28** branches with youth hubs

2024 operating budget achievements

8.6%↑

increase to **operating base budget** that maintains services

67.9

new full time equivalents primarily for budget enhancement which support **Open Hours** and **Youth Hubs** through **Poverty Reduction Strategy**

\$5.6M

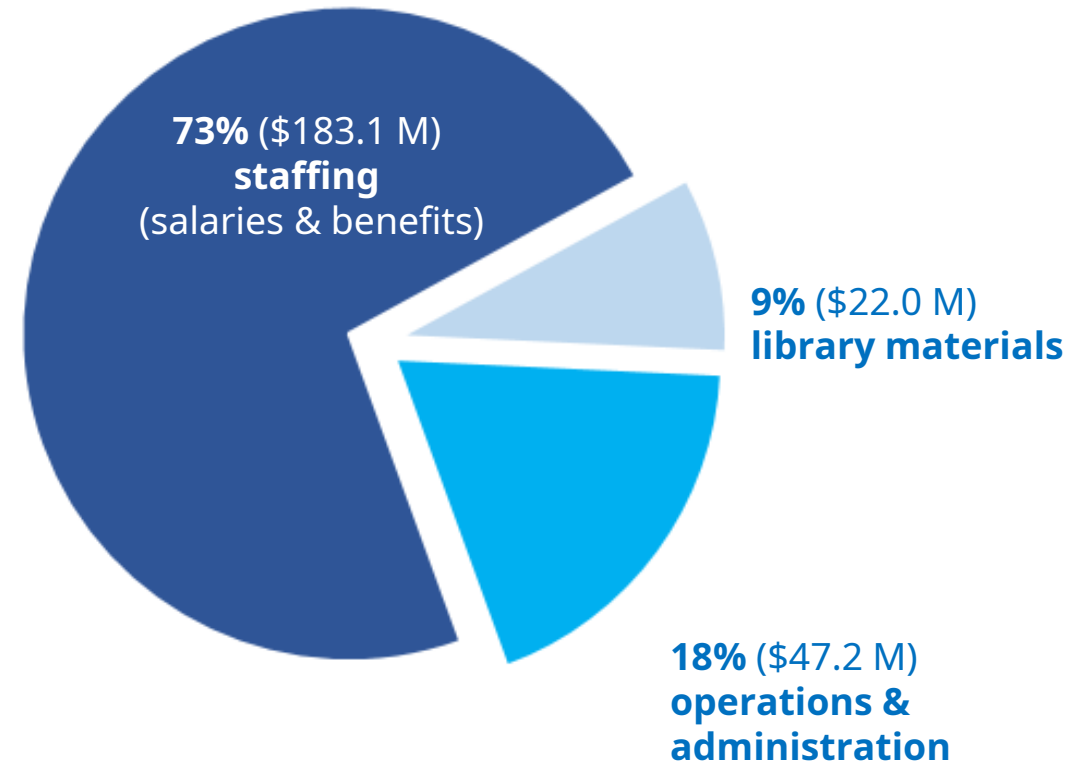
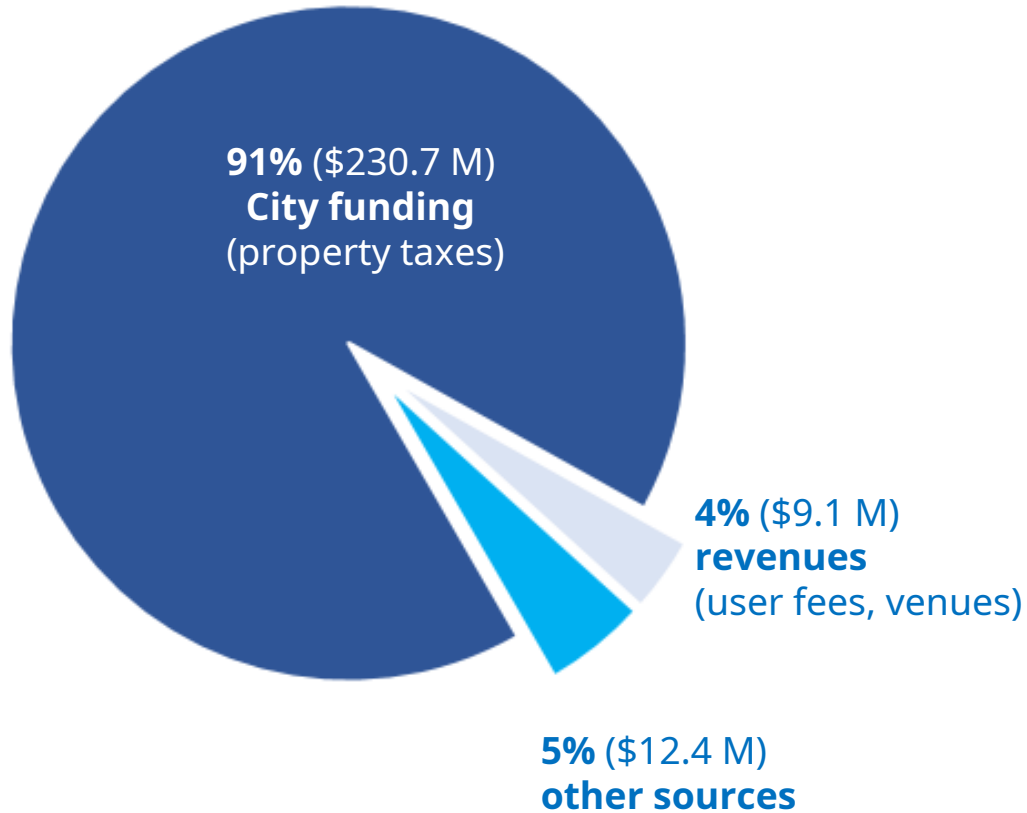
to help address **2023 structural deficit**

\$2.9M

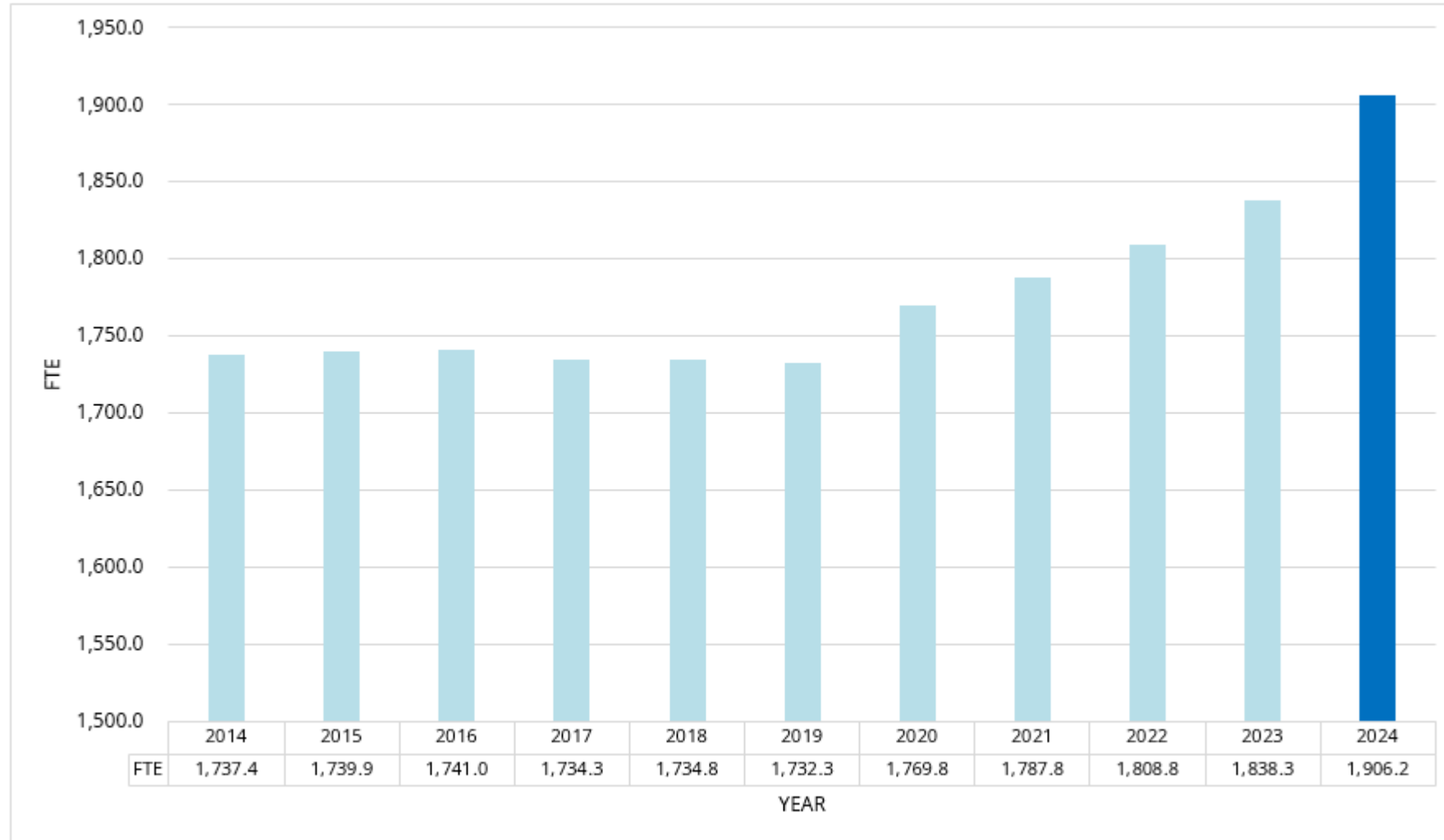
to help address **COVID-19 budget pressures**

2024 operating budget

\$252.3 million gross
\$230.7 million net (City)



history of staffing changes



No. 12 – 2024 operating budget submission

The City Librarian recommends that the Toronto Public Library Board:

1. adopts the Council-approved 2024 operating budget of \$230.714 million net (\$252.293 million gross), which includes 1,906.2 full-time equivalent staff positions