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To: Toronto Public Library Board – January 27, 2003

From: City Librarian

Subject: **2003 Operating Budget - Update**

Purpose:

To inform the Toronto Public Library Board of a proposal to achieve the Executive Management Team (EMT) recommended reduction to the 2003 Operating Budget and provide a copy of reports that were submitted to Budget Advisory Committee (BAC) for review at its meeting on January 24, 2003.

Funding Implications and Impact Statement:

The City funds the Toronto Public Library's (TPL) operating budget.

The proposal to achieve the EMT recommended reduction results in a further funding reduction of \$0.987 million, which brings the 2003 base budget increase down to four percent (Attachment 1).

Recommendation:

It is recommended that the Toronto Public Library Board receive the proposal to achieve the remaining \$0.987 million reduction to the 2003 base budget as recommended by EMT and the briefing notes as submitted to BAC.

Background:

During the review of the TPL 2003 Operating Budget, EMT recommended a reduction of \$2.284 million to the base budget request. At the November 2002 Board meeting, Library staff were able to identify \$1.297 million of reductions which would have minor service impacts, but the remaining \$0.987 million reduction would have a major impact on service. Since the Board meeting, Library staff have done further analysis and have come up with a proposal to achieve this \$0.987 million reduction while minimizing the impact on service (see Attachment 1).

At its meeting on December 6, 2002, BAC passed a number of motions requesting information from TPL on various budget issues. These motions and TPL's corresponding responses are detailed in the section below.

Comments:

Adjustments to Achieve the 2003 EMT Target – Attachment 1

This is a proposal to achieve the remaining \$0.987 million of EMT recommended reduction to the 2003 operating based budget. Included in the report is: a reduction to the hydro budget based on the recent freeze in electricity prices; a two percent reduction to the 2003 economic adjustments for library material; closing libraries at 5:00 p.m. in July and August; an increase in rent revenue from tenant leases; and an unallocated amount to be managed from identified cost savings throughout the year. One outstanding issue with this proposal is TPL's high gapping target of 3.5 percent. If the gapping target remains at the 2002 level of 3.5 percent, this would be one of the highest of any City department or special purpose body. Given TPL's increasing usage activity, the high gapping target cannot be sustained indefinitely. Another outstanding issue is the two percent reduction to the 2003 economic adjustments on library material and closing libraries at 5:00 p.m. during the summer, which will result in service reductions.

As this proposal fully meets the EMT recommended 2003 operating based budget, further cost reductions are not necessary at this time.

The following is a table detailing a list of motions passed by BAC and its respective attachments. The BAC meeting on December 6, 2002 was held prior to the above proposal which has met the EMT target, and therefore some of the requested cost reduction information in Attachment 2a is no longer necessary.

Information requested by BAC	TPL's response to the requested information
1) number of people, on average, who would no longer have access to the Library by the reduction in Friday hours to 89.5 hours per week and Sunday hours from 37 Sundays to 27 Sundays;	Attachment 2a
2) the feasibility of amending Library hours, i.e., start later in the day and open later at night, and related issues in that regard;	Attachment 2a
3) the Commissioner of Economic Development, Culture and Tourism and the Commissioner of Corporate Services being requested to provide assistance in staffing or in other areas for the ALA/CLA conference; and	Attachment 2b
4) requested the Chief Administrative Officer and the Chief Financial Officer and Treasurer to provide further information on funding for the ALA/CLA Conference given the request for one time funding for this event.	Attachment 2c

Reduction of Library Hours & Feasibility of Amending Library Hours – Attachment 2a

This briefing note provides information on the impact of the reduction of Library hours on Friday evenings year-round and Sundays, and the feasibility of amending Library hours to start later in the day and open later at night. Since the proposal in Attachment 1 already meets the EMT target, no further reduction to Library hours would be necessary.

Services Provided by City Departments in Support of ALA/CLA Conference – Attachment 2b

This briefing note provides information on staffing or other assistance being provided by Economic Development, Culture and tourism (EDCT) and Corporate Services to the Library in support of the Library's responsibilities related to the American Library Association/Canadian Library Association (ALA/CLA) conference being held in Toronto in June 2003. The support from city departments would reduce the original funding request by \$10,000.

Funding Information on ALA/CLA Conference 2003 – Attachment 2c

This briefing note provides information on funding for the ALA/CLA Conference in June 2003. The original funding request of \$0.329 million has been reduced by \$40,000 to \$0.289 million. There are on-going efforts to obtain corporate sponsorships to further reduce the costs.

Conclusion:

It is recommended that the Toronto Public Library Board receive the proposal to achieve the remaining \$0.987 million reduction as recommended by EMT and the briefing notes as submitted to BAC.

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City Librarian

List of Attachments:

Attachment 1 Adjustments to Achieve the 2003 EMT Target
Attachment 2a Reduction of Library Hours – Friday Evenings Year-Round & Sundays
Attachment 2b Services Provided by City Departments in Support of ALA/CLA Conference
Attachment 2c is unavailable electronically. Please contact Nancy Marshall at 416-393-7215 if you require a copy.