



Toronto Public Library Board

2015 Operating Budget - Update

January 19, 2015



2015 Operating Budget Update

Board Approved vs. City Staff Recommended

	Board Approved		City Staff Recom.		Difference	
	Net \$000s	%	Net \$000s	%	Net \$000s	%
2014 Approved budget	167,637.4		167,637.4		-	
Budget pressures						
Cost increases	5,050.3	3.0%	5,050.3	3.0%	-	-
Fines revenue shortfall	775.0	0.5%	775.0	0.5%	-	-
	5,825.3	3.5%	5,825.3	3.5%	-	-
Budget reliefs						
Efficiency and expense savings	(881.8)	-0.5%	(881.8)	-0.5%	-	-
Revenue increases	(520.0)	-0.4%	(520.0)	-0.4%	-	-
	(1,401.8)	-0.9%	(1,401.8)	-0.9%	-	-
Subtotal Budget Increase before other reliefs	4,423.5	2.6%	4,423.5	2.6%	-	-
Other budget reliefs approved by <u>Board</u>						
Reduce security guard budget to \$1 million	(513.0)	-0.3%	-	-	513.0	0.3%
Incr. draw from development charges for collections	(507.0)	-0.3%	-	-	507.0	0.3%
	(1,020.0)	-0.6%	-	-	1,020.0	0.6%
Other budget reliefs recom. by <u>City staff</u>						
Collections reduction	-	-	(216.0)	-0.1%	(216.0)	-0.1%
Savings - standardization of hours at neigh. branches	-	-	(290.0)	-0.2%	(290.0)	-0.2%
	-	-	(506.0)	-0.3%	(506.0)	-0.3%
2015 Operating budget	171,040.9	2.0%	171,554.9	2.3%	514.0	0.3%

2015 Operating Budget Update

Board Budget Submission (Not recommended by City staff)

1. Further reductions to Security Guard Service	\$513k
<ul style="list-style-type: none">• 10 additional locations lose service• Contracted services to be tendered mid-year and implementation to start second quarter• Impacts to maintaining safe, welcoming environment in affected branches	
2. Increased draw on DC for budget relief	\$507k
<ul style="list-style-type: none">• In addition to \$445k draw for collections econ. increase• Revenue projections based on development activity which is slowing• Permanent funding source for operating budget	

2015 Operating Budget Update

City Staff Recommended Budget (Rejected by the Board)

1. Reduction to Library Collections	\$216k
<ul style="list-style-type: none">• Reduction of approximately 12,000 items• Roughly half of the economic adjustment• Impact greater with falling Canadian dollar	
2. Standardization of branch open hours	\$290k
<ul style="list-style-type: none">• Net increase of 28 weekly hours (24 branches lose hours, 31 gain)• Improved geographical distribution of services• Issues with implementation and service impacts	

2015 Operating Budget Update

City Staff Recommended Budget

Hours Standardization: Implementation Issues and Considerations

- 1. Does not achieve Open Hours Plan for neighbourhood branch weekday hours**
 - Some bands of hours reduced
 - Many gains made since 2007 reversed
- 2. Does not meet Board's harmonization strategy**
 - Does not protect legacy hours
 - Instead harmonization achieved by reducing hours (~ 24 branches lose between 2.5 to 14 weekly hours)
- 3. Methodology for distributing hours based solely on use**
 - Does not take other factors into consideration – e.g. 8 NIAs will lose a total of 148 hours per week
- 4. Requires public consultation**
- 5. A change in branch schedules in up to 55 branches will impact customers, services and staff**

2015 Operating Budget Update

Board Approved vs. City Staff Recommended

	Board Approved		City Staff Recom.		Difference	
	Net \$000s	%	Net \$000s	%	Net \$000s	%
2014 Approved budget	167,637.4		167,637.4		-	
Budget pressures						
Cost increases	5,050.3	3.0%	5,050.3	3.0%	-	-
Fines revenue shortfall	775.0	0.5%	775.0	0.5%	-	-
	<u>5,825.3</u>	<u>3.5%</u>	<u>5,825.3</u>	<u>3.5%</u>	<u>-</u>	<u>-</u>
Budget reliefs						
Efficiency and expense savings	(881.8)	-0.5%	(881.8)	-0.5%	-	-
Revenue increases	(520.0)	-0.4%	(520.0)	-0.4%	-	-
	<u>(1,401.8)</u>	<u>-0.9%</u>	<u>(1,401.8)</u>	<u>-0.9%</u>	<u>-</u>	<u>-</u>
Subtotal Budget Increase before other reliefs	4,423.5	2.6%	4,423.5	2.6%	-	-
Other budget reliefs approved by <u>Board</u>						
Reduce security guard budget to \$1 million	(513.0)	-0.3%	-	-	513.0	0.3%
Incr. draw from development charges for collections	(507.0)	-0.3%	-	-	507.0	0.3%
	<u>(1,020.0)</u>	<u>-0.6%</u>	<u>-</u>	<u>-</u>	<u>1,020.0</u>	<u>0.6%</u>
Other budget reliefs recom. by <u>City staff</u>						
Collections reduction	-	-	(216.0)	-0.1%	(216.0)	-0.1%
Savings - standardization of hours at neigh. branches	-	-	(290.0)	-0.2%	(290.0)	-0.2%
	<u>-</u>	<u>-</u>	<u>(506.0)</u>	<u>-0.3%</u>	<u>(506.0)</u>	<u>-0.3%</u>
2015 Operating budget	171,040.9	2.0%	171,554.9	2.3%	514.0	0.3%

Budget Revisions

- Achieve City staff recommended budget of 2.3% increase
- Revise security guard reduction from \$513k to \$200k (\$313k decrease) – maintain service at affected District branches and Riverdale, and some funding for guards as-needed
- Revise increase in draw from DC reserve for collections from \$507k to \$306k (\$201k decrease)
- Maintain collections and service hours
- Address City staff budget concerns

2015 Operating Budget Update

Revised Budget

2014 Approved budget

Budget pressures

Cost increases

Fines revenue shortfall

Budget reliefs

Efficiency and expense savings

Revenue increases

Subtotal Budget Increase before other reliefs

Other budget reliefs approved by Board

Reduce security guard budget to \$1 million

Increase draw from DC reserve for collections

Other budget reliefs recomm. by City Staff

Collections reduction

Savings - standardization of hours at neigh. branches

2015 Operating budget

	Board Approved Nov. 17, 2014		City Staff Recommended		Revised Jan. 19, 2015	
	Net \$000s	%	Net \$000s	%	Net \$000s	%
2014 Approved budget	167,637.4		167,637.4		167,637.4	
Budget pressures						
Cost increases	5,050.3	3.0%	5,050.3	3.0%	5,050.3	3.0%
Fines revenue shortfall	775.0	0.5%	775.0	0.5%	775.0	0.5%
	5,825.3	3.5%	5,825.3	3.5%	5,825.3	3.5%
Budget reliefs						
Efficiency and expense savings	(881.8)	-0.5%	(881.8)	-0.5%	(881.8)	-0.5%
Revenue increases	(520.0)	-0.4%	(520.0)	-0.4%	(520.0)	-0.4%
	(1,401.8)	-0.9%	(1,401.8)	-0.9%	(1,401.8)	-0.9%
Subtotal Budget Increase before other reliefs	4,423.5	2.6%	4,423.5	2.6%	4,423.5	2.6%
Other budget reliefs approved by Board						
Reduce security guard budget to \$1 million	(513.0)	-0.3%	-	-	(200.0)	-0.1%
Increase draw from DC reserve for collections	(507.0)	-0.3%	-	-	(306.0)	-0.2%
	(1,020.0)	-0.6%	-	-	(506.0)	-0.3%
Other budget reliefs recomm. by City Staff						
Collections reduction	-	-	(216.0)	-0.1%		0.0%
Savings - standardization of hours at neigh. branches	-	-	(290.0)	-0.2%		0.0%
	-	-	(506.0)	-0.3%	-	0.0%
2015 Operating budget	171,040.9	2.0%	171,554.9	2.3%	171,554.9	2.3%

Revised Budget

Budget Increase 90% below Inflation

