



To: Toronto Public Library Board – October 28, 2002

From: City Librarian

Subject: **2003 Operating Budget**

Purpose:

To obtain Toronto Public Library Board approval for the submission of the 2003 Operating Budget to the City.

Funding Implications and Impact Statement:

S24(2) of the Public Libraries Act states:

“The amount of the board’s estimates that is approved or amended and approved by the council shall be adopted by the board and shall be paid to the board out of the money appropriated for it.”

Recommendation:

It is recommended that the Toronto Public Library Board:

- (1) adopt and forward the 2003 Operating Budget Submission (Attachment 1) to the City for discussion and consideration.
- (2) receive the “Service Level Adjustment Options” (Attachment 2) for information only, and forward to the City.

Background:

S24(1) of the Public Libraries Act states:

“A public library boardshall submit to the appointing council, annually on or before the date and in the form specified by the council, estimates of all sums required during the year for the purposes of the board.”

Attachment 1 is the Library Board’s 2003 operating budget request.

Comments:

The following is a summary of the 2003 Operating Budget:

<u>Description</u>	<u>\$ millions</u>	<u>%</u>
2002 Base Budget	116.824	
Prior Year Impacts & Economic Factors	<u>5.254</u>	4.5%
2003 Adjusted Base	122.078	
Operating Pressures	<u>1.882</u>	<u>1.6%</u>
2003 Requested Base Budget	123.960	6.1%
New/Enhanced Service Changes	<u>1.669</u>	<u>1.4%</u>
2003 Total Budget	<u>125.629</u>	<u>7.5%</u>

The 2003 Operating Budget is categorized into two major components. The first component is the 2003 Requested Base Budget (the cost of maintaining existing services and service levels) totaling \$123.960 million. The second component is the New/Enhanced Service Changes totaling \$1.669 million, for a 2003 Total Budget of \$125.629 million.

The 2003 Requested Base Budget includes two parts: prior year impacts & economic factors and operating pressures. Prior year impacts and economic factors amounts to 4.5 percent or \$5.254 million. Included in this amount is \$3.859 million or 3.3 percent which relates to inflationary factors and staffing costs which include the impact of the new collective agreement between the Toronto Public Library and the Toronto Civics Employee Union. The operating pressures amounts to 1.6 percent or \$1.882 million of which \$1.161 million or 1 percent relates mainly to the staff benefits costs resulting from the new collective agreement between the Toronto Public Library and the Toronto Civics Employee Union. A detailed breakdown of the increases is provided in Appendix 1 of Attachment 1.

The New/Enhanced Service Changes represents an increase of 1.4 percent or \$1.669 million. This consists of four requests as follows:

<u>Description</u>	<u>\$ millions</u>	<u>%</u>
ALA/CLA Conference 2003	0.329	0.3%
Reduced Gapping	0.892	0.7%
Seniors' Services	0.348	0.3%
Expansion of Leading to Reading	<u>0.100</u>	<u>0.1%</u>
	<u>1.669</u>	<u>1.4%</u>

The Seniors' Services request is being brought forward on behalf of the Seniors Task Force and the Leading to Reading request is being requested on behalf of the Children and Youth Action Committee. Further details on the New/Enhanced Service Changes are outlined in Attachment 1.

As part of the budget process, all Departments and Agencies, Boards and Commissions are required to provide reduction scenarios (Service Level Adjustment Options) to bring the 2003 Total Budget back to the 2002 Base Budget. As a result, we have attached the Service Level Adjustment Options (Attachment 2) which outlines the reduction scenarios for the Board's information.

A full presentation of the 2003 Operating Budget will be made at the Board meeting to provide Board members with an expanded explanation of the proposed 2003 Operating Budget.

A 2003 Budget Process Timetable is included on Attachment 3.

Conclusion:

The Toronto Public Library's submission was prepared in accordance with the instructions issued by the City to all Departments and Agencies, Boards and Commissions.

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:

Attachment 1: 2003 Operating Budget Submission (*Appendix 1 and 2 of Attachment 1 are unavailable electronically. Please contact Nancy Marshall at 416-393-7215 or at nmarshall@tpl.toronto.on.ca if you require a copy.*)

Attachment 2: Business Case Summary: Service Level Adjustment Options

Attachment 3: 2003 Budget Process Timetable