

2009 Operating Budget Adoption

Date:	April 20, 2009
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to request the Toronto Public Board to adopt the Council approved 2009 operating budget of \$175.777 million gross and \$162.016 million net, representing a 4.0% net increase over 2008.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. adopts the Council approved 2009 operating budget for Toronto Public Library of \$175.777 million gross and \$162.016 million net; and
2. authorizes and directs staff to take the necessary action to give effect thereto.

FINANCIAL IMPACT

The Council approved 2009 operating budget of \$175.777 million gross and \$162.016 million net represents a 4.0% or \$6.225 million net increase over 2008.

These amounts do not include the 2009 COLA wage increases which are budgeted at the City corporate level in a year of collective bargaining.

The Director, Finance and Treasurer has reviewed this Financial Impact Statement and is in agreement with it.

ISSUE BACKGROUND

At its meeting of October 20, 2008, the Library Board approved a 2009 Operating Budget request submission of \$180.007 million gross and \$166.802 million net, which represents an increase of \$11.011 million net or 7.1% over the 2008 approved budget, which includes a 1.4% increase for the Job Evaluation and Pay Equity settlement of May 2008. The increase is comprised of a base budget increase of \$8.211 million net (5.3%) to

maintain current services and a request for a service enhancement of \$2.8 million net (1.8%) to expand Sunday Service.

At its meeting of January 19, 2009, the Board approved reductions totalling \$833,900 or 0.5%, for a revised operating budget submission of 6.6% increase.

At the meeting of February 9, 2009, the Board approved further reductions totalling \$3.953 million to meet the 4.0% City-recommended 2009 operating budget increase and also requested the City to fund \$250,000 of unfunded sick leave costs from its employee benefits reserves.

At the meeting of February 26, 2009, Budget Committee considered the Board's request for sick leave funding but the Budget Committee's recommended Library budget remains at a 4.0% increase.

At its meeting of March 24, 2009, Executive Committee forwarded to Council the 2009 Library Operating Budget as recommended by Budget Committee.

COMMENTS

At its Special Meeting of March 31, 2009, Council approved the Library's 2009 operating budget, with the following motions:

1. approve the 2009 Recommended Operating Budget for Toronto Public Library of \$175.777 million gross and \$162.016 million net, comprised of the following services:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Library Services	169,700	156,177
Library Administration	<u>6,077</u>	<u>5,839</u>
Total Program Budget	<u>175,777</u>	<u>162,016</u>

2. request the Budget Committee Chair and the Deputy City Manager and Chief Financial Officer to meet with representatives of the Library Board, after the Operating Budget is approved, to address the issue of sustainable funding for library materials, sick leave costs and the Library Board's plan to increase open hours, for the 2010 budget.

TPL's Council approved 2009 Operating Budget of \$175.777 million gross and \$162.016 million net includes a \$500,000 unallocated reduction; a report will be presented at the May 11, 2009 Board meeting on how to manage this unallocated reduction.

CONTACT

Larry Hughsam; Director, Finance & Treasurer; Tel: 416-397-5946; Fax: 416-393-7115;
E-mail: lhughsam@torontopubliclibrary.ca

SIGNATURE

Jane Pyper
City Librarian