

2022 Operating Budget Submission

Date:	October 25, 2021
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to seek Toronto Public Library Board approval of the 2022 operating budget submission.

Toronto Public Library (TPL)'s 2022 operating budget submission preserves services and service levels and provides affordable, accessible and resilient digital supports as a public service while advancing equity in the city and workplace, all of which align with TPL's strategic plan. The budget request allows for investments in additional digital and community-based services that support vulnerable populations and helps address the financial challenges created by COVID-19 while supporting the City's restart and recovery efforts. The 2022 budget also aligns with many of the City's key strategies, including the Poverty Reduction Strategy, Seniors Strategy 2.0 and community safety.

The 2022 operating budget increase is summarized below:

	2022 Net Budget Increase	
	\$ million	%
Recurring base budget pressures	1.965	0.9%
Reinstatement of services	4.710	2.3%
Reversal of 2021 COVID funding	(5.933)	-2.9%
Base Budget, before 2022 COVID pressures	0.742	0.3%
2022 COVID budget pressures	4.779	2.4%
Base Budget, including 2022 COVID pressures	5.522	2.7%
Budget Enhancements	1.411	0.7%
Total Budget Increase	6.932	3.4%

The normal and recurring 2022 net base budget pressures are \$1.965 million, which represents a 0.9% increase over the 2021 budget and includes savings of \$2.846 million mainly related to continuing staff vacancies. When combined with the cost for reinstating services and the reversal of COVID-19 funding received in 2021, the 2022 net base budget increase is \$0.742 million, or 0.3%, before 2022 COVID-19 pressures. The 2022 COVID-19 pressures total \$4.779 million, or 2.4%, for an overall net base budget increase of \$5.552 million, or 2.7%.

The operating budget submission also includes phased budget enhancements totalling \$1.411 million net, or 0.7%, resulting in an overall budget increase of \$6.932 million net, or 3.4%.

For the 2022 operating budget submission, Programs and Agencies are expected to submit a budget that provides offsets to expected 2022 base budget pressures, with the exception being any pressures that are directly related to COVID-19 impacts.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the 2022 operating base budget submission of \$208.570 million net (\$228.190 million gross), which represents a \$5.522 million net (\$7.682 million gross) increase, or 2.7%, over the 2020 operating budget, comprised of:
 - a. base budget increase of \$0.742 million net (\$4.457 million gross), or 0.3%, before 2022 COVID-19 pressures, as detailed in Attachment 1; and
 - b. COVID-19 related budget pressures of \$4.779 million net (\$3.225 million gross), or 2.4%, as detailed in Attachment 1; and
2. approves the 2022 operating budget enhancements totalling \$1.411 million net (\$0.311 million gross), or 0.7%, as detailed in Attachment 1; and
3. authorizes staff to forward this operating budget submission to the City for consideration.

FINANCIAL IMPACT

The 2022 budget submission is summarized in Table 1 below:

Table 1: 2022 Operating Budget Summary & 2023-2024 Outlook (\$millions)

	2022					2023		2024	
	<u>FTEs</u>	<u>GROSS</u>	<u>REVENUE</u>	<u>NET</u>	<u>%</u>	<u>NET</u>	<u>%</u>	<u>NET</u>	<u>%</u>
2021 Approved Operating Budget	1,787.8	220.508	17.460	203.048		208.570		218.436	
Recurring base budget pressures	19.0	1.852	(0.114)	1.965	0.9%	9.866	4.7%	7.152	3.3%
Reinstatement of services		4.710		4.710	2.3%				
Reversal of 2021 COVID funding		(2.104)	3.828	(5.933)	-2.9%				
Base Budget Increase, before 2022 COVID	19.0	4.457	3.715	0.742	0.3%	9.866	4.7%	7.152	3.3%
2022 COVID budget pressures		3.225	(1.554)	4.779	2.4%				
Base Budget Increase, including 2022 COVID	19.0	7.682	2.161	5.522	2.7%	9.866	4.7%	7.152	3.3%
2022 Base Budget including COVID	1,806.8	228.190	19.620	208.570	2.7%	218.436	4.7%	225.588	3.3%
Budget Enhancements	4.0	0.311	(1.100)	1.411	0.7%	9.404	4.5%	8.321	3.8%
Total Budget Increase	23.0	7.993	1.061	6.932	3.4%	19.271	9.2%	15.473	7.1%
Total 2022 Operating Budget	1,810.8	228.501	18.520	209.981	3.4%	227.841	9.2%	233.909	7.1%

The 2022 operating budget submission will be submitted to the City for consideration.

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

ALIGNMENT WITH STRATEGIC PLAN

TPL's Strategic Plan (2020-2024): *Vital to Toronto – Building Success, Resilience and Well-Being for our City* – reflects the input of thousands of Torontonians from every neighbourhood, TPL staff, and community partners and collaborators across many sectors. The plan's five strategic priorities and three supporting enablers shape and guide TPL's work over the next five years, with the ambition of building more resilience, success and well-being for Toronto and its residents.

With a focus on equity, the five strategic priority areas of the plan are:

1. Public Space
2. Digital inclusion and literacy
3. Workforce development
4. A democratic society
5. Public service excellence.

The three enablers of the plan are:

- a. Partnerships
- b. Modernization
- c. Evaluation and accountability.

The 2020-2024 strategic plan builds on the Library's service strengths. TPL's strategic priorities are where TPL will focus and invest over the next five years, while its focus on equity across all strategic priorities commits TPL to understand and break down

barriers to access and increase inclusion. The enablers are foundational and organizational supports that allow TPL to deliver on its outcomes.

The operating budget supports TPL's strategic plan by supporting digital literacy and inclusion, enhancing access to information, technology and e-learning and transforming library operations for 21st century service excellence.

EQUITY IMPACT STATEMENT

TPL's 2022 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 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, City information, training and employment opportunities, as well as opportunities for civic engagement and community participation.

The investment in TPL's budget helps advance key City strategies, including Toronto Newcomer Strategy, Toronto Poverty Reduction Strategy, Toronto Seniors Strategy 2.0, Toronto Strong Neighbourhood Strategy 2020 and Toronto Youth Equity Strategy, as well as TPL's Strategic Plan (2020-2024): *Vital to Toronto – Building Success, Resilience and Well-Being for our City*.

DECISION HISTORY

At its meeting on September 27, 2021, Toronto Public Library Board received for information the [2022 Operating Budget Status Update](#), which highlighted potential changes to the 2022 outlook that was approved as part of the Council-approved 2021 operating budget.

COMMENTS

TPL's total 2022 operating budget submission, including enhancements, is \$209.981 million net, which represents a \$6.932 million net, or 3.4%, increase over the 2021 budget. The submission: supports an 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, all of which aligns with TPL's strategic plan.

Context of 2022 Budget Request

Reinstating Library Services

TPL is currently in step 3 of the province's [Roadmap to Reopen](#) and is providing in-branch services and safe computer assistance while still maintaining physical distancing. The 2022 operating budget supports the reinstatement of services while ensuring a safe and healthy environment for staff and customers.

2022 Priority Actions

The operating budget submission supports TPL's priority actions:

- Advancing TPL's digital strategy to create a modern, connected and sustainable data and technology environment that is transformation-ready and improving customer/staff experiences;
- Developing hybrid models of digital/in-person service delivery and continuing to add digital services and community-based services as needed and an expansion of digital literacy and access;
- Support the City's equity, poverty reduction and economic recovery objectives with a focus on fines elimination and support for vulnerable communities; and
- Improve TPL's employee experience through productivity and collaboration tools and processes and Diversity, Equity and Inclusion and digital literacy training and education.

Modernization, Transformation and Innovation Initiatives

A major focus of TPL's current strategic plan is the modernization and transformation of its back office and public-facing systems and processes, including initiatives that improve back-office efficiencies and increase options for customer self-service.

To support these initiatives this budget includes the creation of an IT asset replacement reserve, subject to Council approval, which will be funded through contributions from TPL's annual operating budget. The purpose of the reserve, once fully established and funded, is to provide stable and flexible funding for the annual replacement for IT equipment, which is currently funded by the Technology Asset Replacement Program (TAMP) capital project.

Partnerships & Community Supports

Throughout 2021, TPL has worked with the City and community partners to address a wide range of vital needs made worse by the COVID-19 pandemic, including:

- Food security: with food bank installations at Albion and Jane/Sheppard;
- Literacy and learning: online adult literacy service, online school outreach and online Leading to Reading service;
- Digital access and inclusion: internet connectivity kits, WiFi hotspot lending program, WiFi on wheels and branch WiFi; seniors tech help service; and
- Social inclusion and engagement: seniors' wellness checks, care kits and sock distribution, Bloom Cam, PRESTO card distribution, washroom access during

closure restrictions; online newcomer settlement services; ArtworxTO and StrollTO installations.

In each of these areas, TPL has extended and enhanced core library services and assets to benefit Toronto's most vulnerable.

TPL's 2022 operating budget submission allows the Library to continue to provide community supports through strategic partnerships, including with the Toronto Public Library Foundation.

2022 Operating Base Budget Submission

The 2022 operating base budget submission of \$208.570 million represents a net budget increase of \$5.522 million, or 2.7% over the Council-approved 2021 operating budget and is comprised of \$0.742 million net (\$4.457 million gross), or 0.3%, to maintain existing services and service levels, and \$4.779 million net (\$3.225 million gross), or 2.4%, of budget pressures related to COVID-19.

For the 2022 operating budget submission, Programs and Agencies are expected to submit a budget that provides offsets to 2022 net pressures, with the exception being any pressures that are directly related to COVID-19 impacts.

2022 Base Budget Pressures

The normal and recurring 2022 net base budget pressures are \$1.965 million, which represents a 0.9% increase over the 2021 budget. When combined with the cost for reinstating services and the reversal of COVID-19 funding received in 2021, the 2022 net base budget increase is \$0.742 million or 0.3%, before 2022 COVID-19 pressures. Details of budget pressures and offsetting balancing actions and efficiencies are described below and summarized in Table 2:

Table 2: 2022 Operating Base Budget Summary & 2023-2024 Outlook (\$millions)

	2022					2023		2024	
	<i>FTEs</i>	GROSS	REVENUE	NET	%	NET	%	NET	%
Salary and Benefit cost of living adjustments		1.851		1.851	0.8%	2.259	1.1%	2.257	1.0%
Other Base Budget Changes	19.0	2.953	(0.006)	2.960	1.5%	4.714	2.3%	3.895	1.8%
Contribution to Asset Replacement Reserve		-	-	-	0.0%	1.000	0.5%	1.000	0.5%
Balancing actions & efficiencies		(2.953)	(0.107)	(2.846)	-1.4%	1.893	0.9%		
Recurring base budget pressures	19.0	1.852	(0.114)	1.965	0.9%	9.866	4.7%	7.152	3.3%
Reinstatement of services		4.710		4.710	2.3%				
Reversal of 2021 COVID pressures		(2.104)	3.828	(5.933)	-2.9%				
2021 COVID-19 budget impacts	-	2.605	3.828	(1.223)	-0.6%	-	0.0%	-	0.0%
Total Recurring base budget pressures	19.0	4.457	3.715	0.742	0.3%	9.866	4.7%	7.152	3.3%

Recurring Base Budget Pressures

Salary and Benefit cost of living adjustments

Net increase of \$1.851 million, or 0.8%, related to the annual cost of living adjustments as per the collective agreement.

Other Base Budget Changes

Net increase of \$2.960 million, or 1.5%, related to:

- \$1.710 million net related to economic increases for facilities and IT-related contracts, library materials and utilities;
- \$0.717 million net, including 12.0 full-time equivalents (FTEs), related to three completed capital projects and their associated operating costs, including the new youth hub and digital innovation hub at the renovated Albert Campbell District branch;
- \$0.233 million net, including 7.0 FTEs, related to the second year of the Digital Services Modernization; and
- \$0.300 million net related to the second year impact of the 2021 Council-approved budget enhancement to eliminate children's overdue fines.

Contribution to IT Asset Replacement Reserve

TPL has proposed the creation of an IT asset replacement reserve to help support TPL's digital strategy and service modernization, with initial funding by contribution of \$0.400 million net from the operating budget, fully offset by an equivalent decrease in the current operating budget contribution which partially funds the TAMP capital project.

Balancing Actions & Efficiencies

Net savings of \$2.846 million, or 1.4%, comprised of:

- Vacancy experience impact savings of \$2.267 million net, or 1.1%, related to continued staff churn, including from the 2021 voluntary separation program (VSP);
- Forgoing the 2022 library materials economic increase of \$0.429 million net, or 0.2%, as the impact of COVID-19 has resulted in a reduction in availability of physical materials, delays in delivery of materials, supply chain delays and cancelled publications; and
- Line by line efficiencies totalling \$0.150 million net, or 0.1%, for savings in utilities, travel and mileage.

Reinstatement of services

Increase of \$4.710 net, or 2.3%, related to the reinstatement of library services (Sunday service, contribution to fleet reserve, reopened branches, etc.) which were impacted by COVID-19 in 2021 and resulted in budgeted savings in 2021. This reinstatement, along with the reversal of budgeted 2021 COVID-19 pressures, resets TPL's 2022 operating

budget to pre-COVID levels and new 2022 COVID-19 pressures are detailed later in this report.

Reversal of 2021 COVID-19 pressures

The reversal of 2021 COVID-19 funding of \$5.933 million net, or 2.9%, which was comprised of higher security and janitorial costs and lower revenues.

2022 COVID-19 budget pressures

COVID-19 has had a significant impact on operations in 2021, and the expectation is that many budget pressures will continue into 2022 as TPL continues to reinstate full services, provide online library programming and ensure all safety precautions are available for staff and customers.

The COVID-19 budget-related pressures total \$4.779 million net (\$3.225 million gross), or 2.4%, and are summarized in Table 3 below:

Table 3: 2022 COVID-19-related Pressures (\$millions)

	2022				
	<u>FTEs</u>	<u>GROSS</u>	<u>REVENUE</u>	<u>NET</u>	<u>%</u>
HVAC costs for MERV13 filter use		0.655		0.655	0.3%
Janitorial services & supplies		0.650		0.650	0.3%
Guard services		2.000		2.000	1.0%
Reduction in venue costs and revenues		(0.080)	(0.650)	0.570	0.3%
Reduction in other revenues			(0.904)	0.904	0.5%
	<u>-</u>	<u>3.225</u>	<u>(1.554)</u>	<u>4.779</u>	<u>2.4%</u>

- Increased HVAC maintenance costs totalling \$0.655 million net, or 0.3%, due to a change in the quality of air filters and the frequency of replacing them in order to improve indoor air quality;
- Increased janitorial supplies and service costs totalling \$0.650 million net, or 0.3% for enhanced cleaning;
- Increased security guard service costs totalling \$2.000 million net, or 1.0%, to support safety and compliance with the Code of Conduct in the branches;
- Revenue losses totalling \$0.570 million net, or 0.3%, related to decreased venue and room bookings and its associated expenditures; and
- Revenue losses totalling \$0.904 million net, or 0.5%, related to decreased printing and tenant revenues.

2022 Budget Enhancements

TPL's 2022 budget enhancements total \$1.411 million net (\$0.311 million gross), or 0.7%, including 4.0 FTEs, and advances a number of TPL strategic objectives while supporting many of the City of Toronto's key strategies, including the Poverty Reduction Strategy, as summarized in Table 4 and 5 below:

Table 4: 2022 Budget Enhancements & 2023-2024 Outlook (\$millions)

	2022					2023		2024	
	<u>FTEs</u>	<u>GROSS</u>	<u>REVENUE</u>	<u>NET</u>	<u>%</u>	<u>NET</u>	<u>%</u>	<u>NET</u>	<u>%</u>
Fines Elimination - Adults & Teens			(1.100)	1.100	0.5%	0.300	0.1%		
Digital Literacy for Seniors	2.0	0.206		0.206	0.1%	0.465	0.2%		
Community Librarians Outreach	2.0	0.104		0.104	0.1%	0.318	0.2%		
Open Hours						8.321	4.0%	8.321	3.8%
	4.0	0.311	(1.100)	1.411	0.7%	9.404	4.5%	8.321	3.8%

Table 5: 2022 Budget Enhancements and Key City of Toronto Strategies

City of Toronto Key Strategies		Fines Elimination Adults & Teens	Community Librarians	Digital Literacy for Seniors
	Raising the Village	✓		
	SafeTO: Community Safety & Well-Being Plan		✓	
	TO Prosperity: Toronto Poverty Reduction Strategy	✓	✓	✓
	Toronto Action Plan to Confront Anti-Black Racism	✓	✓	
	Toronto Civic Engagement Strategy			✓
	Toronto Newcomer Strategy	✓	✓	✓
	Toronto Seniors Strategy 2.0	✓	✓	✓
	Toronto Strong Neighbourhoods Strategy	✓	✓	✓
	Toronto Youth Equity Strategy	✓	✓	
	Toronto Recovery and Rebuild Strategy	✓	✓	✓
	Working as One: Workforce Development Strategy for Toronto		✓	

Fines Elimination – Adults & Teens

As part of TPL's Council-approved 2021 operating budget, children's overdue fines were eliminated.

For the 2022 operating budget submission, TPL is seeking a budget enhancement request totalling \$1.100 million net and gross (2022-2023 total cost of \$1.400 million net and gross) to eliminate overdue fines on material borrowed on teen and adult library cards. The Toronto Public Library Foundation has fundraised \$0.300 million to partially offset the \$1.400 million budget pressure in 2022 related to eliminating teen and adult overdue fines.

Overdue fines were initially introduced to encourage customers to return materials on time, but increasingly fines have become a barrier to the use of library services, especially for vulnerable communities. TPL data from Q1-2020 shows that of the 147,000 teens and adults who have outstanding fines, 46,000 (46%) are from low-income and racialized areas. This results in a disproportionate impact on racialized and low-income Torontonians with fines on their library cards when compared to general demographic population data.

By moving to eliminate all overdue fines permanently, TPL will join hundreds of library systems across North America that have already gone fine-free. In Canada alone, there are 189 fine-free library systems, including 27 in Ontario and nine in the GTA, and these numbers are increasing.

TPL is the world's busiest public library system and is a vital community hub used by nearly 70% of Torontonians. It is a critical resource for the city's most vulnerable residents who rely on TPL's welcoming spaces, computers, Wi-Fi access and valuable online tools – particularly now during the COVID-19 recovery efforts. Once branches fully reopen and all services are reinstated, TPL will play an even more critical role in connecting people to resources as the economic and social impacts of COVID-19 will continue. These impacts will likely be more significant for those from racialized and low-income communities. The elimination of overdue fines for all customers will be a vital change as Torontonians continue to use their library, now with reduced barriers.

Digital Literacy for Seniors

A 2022 budget enhancement to support social connectedness by expanding social inclusion and digital literacy programs for seniors in libraries and in the community will address the diverse needs and challenges among Toronto's seniors through two complementary programs as identified in the [City of Toronto's Seniors Strategy 2.0 medium-term recommendation within 2020-2022](#):

- In-branch Digital Literacy for Seniors, and
- Community-based Digital Literacy for Seniors.

The budget enhancement totals \$0.206 million (2022-2023 total cost is \$0.671 million net and gross to support eight additional branches each year), including 4.0 FTEs, to be phased over two years (2.0 FTEs in 2022 and 2.0 FTEs in 2023).

Community Librarians

The Community Librarians' budget enhancement totalling \$0.104 million net and gross (2022-2023 total cost of \$0.422 million net and gross), including 4.0 FTEs phased over two years (2.0 FTEs in 2022 and 2.0 FTEs in 2023), establishes a permanent team of four community librarians dedicated to serving vulnerable, underserved populations across the city.

TPL's community librarianship emphasis on reaching out to vulnerable communities aligns with the City of Toronto's Poverty Reduction Strategy and is an exciting concept that moves librarians out of traditional library settings into a new community-based framework for providing library service. While working onsite in partner agency locations, community librarians work closely with agency staff and clients. The intent is for the community librarians to learn about and understand these clients' information needs, and respond by providing the best possible mix of the full range of library services and programs.

Open Hours Plan

Since 2016, TPL has made significant progress in its Open Hours Plan with the introduction of year-round Sunday service at 19 R&R and District branches, new seasonal Sunday service at 31 Neighbourhood branches and increased open hours at three Neighbourhood branches as part of the Youth Hub expansion in 2020.

Given continued impacts of COVID-19 and the gradual reinstatement of services at TPL, the Open Hours Plan totalling \$16.642 million net and gross is being delayed to start in 2023 and be fully implemented by 2024.

2023-2024 Operating Budget Outlook

A 2023-2024 Operating Base Budget Outlook is detailed in Attachment 1 and shows net base budget increases of 4.7% and 3.3% in 2023 and 2024 respectively.

2022 Operating Budget Submission Timetable

Activity	Schedule
Administrative Review – City Finance, CFO, City Manager	October 2021
Budget Committee Informal Reviews	Week of October 18
Board Meeting - 2022 Budget Updates	December 6, 2021
Political Reviews (Confirmation Outstanding – Estimated Timeframe ONLY Below)	
Board Meeting - 2022 Budget Updates	January 2022
Board Meeting - 2022 Budget Updates or Adoption of Budgets	February 2022
Budget Launch - Budget Committee	City targeting Budget launch in early/mid-January with approvals expected to be in February Dates to be confirmed
Budget Committee Review	
Public Presentations - Budget Committee	
Budget Committee Wrap-Up	
Budget Committee Final Wrap-Up	
Executive Committee	
City Council	

Due to COVID-19, adjustments to the fall/winter political schedule may occur.

CONCLUSION

TPL's 2022 operating budget submission is a reasonable and responsible funding request necessary to maintain existing service levels and manage adjustments to services in response to changing conditions and disruptions. The budget request allows for investments in additional digital and community-based services that support vulnerable populations and address the financial impacts and recovery from COVID-19. The 2022 operating budget submission also includes service enhancements that support many of the Library's and City Council's strategic priorities.

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

Attachment 1: 2022 Operating Budget Submission and 2023-2024 Outlook

TORONTO PUBLIC LIBRARY

2022 OPERATING BUDGET AND 2023-2024 OUTLOOK

	2022					2023			2024								
	STAFF	GROSS	REVENUE	NET	%	STAFF	NET	%	STAFF	NET	%						
	FTEs	\$Ms				FTEs	\$Ms		FTEs	\$Ms							
2021 Council Approved Budget						1,787.8	220.508		17.460	203.048		1,806.8	208.570		1,821.3	218.436	
Base Budget Pressures																	
1	Salary and Benefits cost of living adjustments					-	1.851		-	1.851	0.8%	-	2.259	1.1%	-	2.257	1.0%
Prior Year - Council Approval																	
2	Children's Fines Elimination								(0.300)	0.300	0.1%						
Economic Increases																	
3	Contracted services						0.987			0.987	0.5%		1.037	0.5%		1.089	0.5%
4	Library materials						0.536	0.107		0.429	0.2%		0.440	0.2%		0.451	0.2%
5	Supplies, services & rent						0.190			0.190	0.1%		0.188	0.1%		0.200	0.1%
6	Utilities						0.091			0.091	0.0%		0.250	0.1%		0.265	0.1%
7	Contribution to Fleet Reserve						0.012			0.012	0.0%		0.012	0.0%		0.013	0.0%
						-	1.817	0.107		1.710	0.8%	-	1.927	0.9%	-	2.017	0.9%
Base Budget Changes																	
8	Digital Service Modernization					4.0	0.233			0.233	0.1%	3.0	1.391	0.7%		1.000	0.5%
9	Capital Projects Delivery Modernization					3.0	0.186	0.186		-	0.0%		-	0.0%			
						7.0	0.419	0.186		0.233	0.1%	3.0	1.391	0.7%	-	1.000	0.5%
Operating Impact of Capital																	
0	Operating impact of capital					12.0	0.717			0.717	0.4%	11.5	1.396	0.7%	-	0.878	0.4%
Contribution to Asset Replacement Reserve																	
1	Operating contribution to Fund TAMP capital						(0.400)			(0.400)	-0.2%						
2	Contribution to Asset Replacement Reserve						0.400			0.400	0.2%		1.000	0.5%		1.000	0.5%
						-	-	-		-	0.0%	-	1.000	0.5%	-	1.000	0.5%
2021 one-time COVID-related Base Budget Adjustments																	
3	Reversal of 2021 COVID pressures (janitorial, security, revenues)						(2.104)	3.828		(5.933)	-2.9%						
4	Reversal of 2021 staff savings from phased reopening & VSP						4.710	-		4.710	2.3%						
						-	2.605	3.828		(1.223)	-0.6%	-	-	0.0%	-	-	0.0%
Balancing Actions & Efficiencies																	
5	Vacancy Experience Impact						(2.267)			(2.267)	-1.1%		1.893	0.9%			
6	Forgo 2021 library materials economic increase						(0.536)	(0.107)		(0.429)	-0.2%						
7	Line by line efficiencies						(0.150)			(0.150)	-0.1%						
						-	(2.953)	(0.107)		(2.846)	-1.4%	-	1.893	0.9%	-	-	0.0%
						19.0	4.457	3.715		0.742	0.3%	14.5	9.866	4.7%	-	7.152	3.3%
COVID-related Budget Pressures & Reliefs																	
8	HVAC costs for MERV13 filter use						0.655			0.655	0.3%						
9	Janitorial services & supplies						0.650			0.650	0.3%						
0	Guard services						2.000			2.000	1.0%						
1	Reduction in venue costs and revenues						(0.080)	(0.650)		0.570	0.3%						
2	Reduction in other revenues							(0.904)		0.904	0.5%						
						-	3.225	(1.554)		4.779	2.4%	-	-	0.0%	-	-	0.0%
3	Base Budget Increase					19.0	7.682	2.161		5.522	2.7%	14.5	9.866	4.7%	-	7.152	3.3%
4	2022 Operating Base Budget					1,806.8	228.190	19.620		208.570	2.7%	1,821.3	218.436	4.7%	1,821.3	225.588	3.3%
Budget Enhancements																	
5	Adult Fines Elimination							(1.100)		1.100	0.5%		0.300	0.1%			
6	Digital Literacy for Seniors					2.0	0.206			0.206	0.1%	2.0	0.465	0.2%			
7	Community Librarians					2.0	0.104			0.104	0.1%	2.0	0.318	0.2%			
8	Open Hours Plan											90.0	8.321	4.0%		8.321	3.8%
						4.0	0.311	(1.100)		1.411	0.7%	94.0	9.404	4.5%	-	8.321	3.8%
9	Total Budget Increase					23.0	7.993	1.061		6.932	3.4%	108.5	19.271	9.2%	-	15.473	7.1%
0	2022 Operating Budget and 2023-2024 Outlook					1,810.8	228.501	18.520		209.981	3.4%	1,915.3	227.841	9.2%	1,821.3	233.909	7.1%



2022 Operating Budget Submission

Toronto Public Library Board

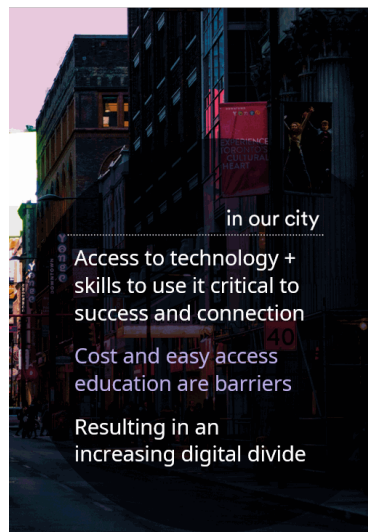
October 25, 2021



Budget Background and Context

2022 Operating Budget

2022 Budget Timeline



- 1 Opening up our public space
- 2 Broadening Toronto's digital access and inclusion
- 3 Building pathways for workforce development
- 4 Providing the vital ingredients for a democratic society
- 5 Investing in staff and an innovative service culture

Support an inclusive economic recovery as part of the City's reopening, recovery and rebuild strategy

Provide affordable, accessible and resilient digital supports as a public service for all by accelerating tpl's digital strategy and modernizing our digital capabilities



Advance equity in the city and workplace supporting the shared outcomes of the City's equity strategies, with a particular focus on Poverty Reduction

TPL Strategic Plan and 2022 Budget

tpl's digital strategy

our ambition

To deliver exceptional digital value & experiences

our commitment

To provide our staff and customers with the right combination of technologies and supports

our approach

To create a modern, connected and sustainable data and technology environment that is transformation-ready

our focus

1 digital services & spaces

TPL has a vibrant digital presence that provides dynamic online services and physical spaces that are digitally advanced.

2 unified customer experience

Consistent, personalized experiences across and between service touchpoints, driving customer satisfaction and anticipating changing expectations.

3 connected workplace

A digitally-enabled workplace that improves ways of working, raises employee engagement and agility, and provides a consistent and positive employee experience.

4 data-informed decisions

Data is accessible, information is meaningful and actionable, and analytics is a core capability of the organization.

5 adaptive technology foundation

A secure, integrated, scalable technology environment that can enable TPL's current and future priorities.

our journey of reinvention

2020

2021

2022

2023

2024

setting the direction

establish a unified digital direction, informed by assessment and leading practice

optimizing the foundation

strengthen our capabilities, processes and technologies to enable reinvention

enabling our transformation

invest in new technologies and capabilities to exceed customer expectations and enable innovation and growth

how well we are doing

community supports

2021 partnerships & community supports

- Social Inclusion & Engagement

- ~ Seniors wellness checks
- ~ Care Kits and Sock distribution
- ~ PRESTO card distribution
- ~ Washroom access during closure restrictions
- ~ Online Newcomer Settlement services
- ~ Bloom Cam
- ~ ArtworxTO / StrollTO installations

- Digital Access & Inclusion

- ~ Internet Connectivity Kits
- ~ WiFi Hotspot Lending
- ~ Branch WiFi
- ~ Seniors Tech Help service

- Literacy & Learning

- ~ Online Adult Literacy service
- ~ Online school outreach
- ~ Online Leading to Reading service

- Food Security

- ~ Food bank installations at two branches (Albion, Jane/Sheppard)

how well we are doing e-collections

Use of digital collections continues to increase

Collections: Jan– Jul 2021 vs. same period 2020 (and vs. 2019)



E-Circulation

(OverDrive, Hoopla, RB Digital, Kanopy)

10%↑ total checkouts + circulation + plays

(47% increase over same period 2019)

43,736

new users

6,527,513

total checkouts + circulation + plays



E-Learning

(BrainFuse, Mango Languages, Gale Courses)

17%↑

(70% increase over same period 2019)

299,029

sessions



E-Newspapers

(PressReader, NY Times, Toronto Star archive, Globe & Mail archive)

17%↑

(93% increase over same period 2019)

204,717

click-throughs



Digital Resources + Other Web databases

(Ancestry, Consumer Reports, JSTOR, Academic OneFile)

16%↑

(50% increase over same period 2019)

2,228,517

pageviews

520,523

sessions

671,078

searches

Almost all 100 branches open with regular hours;
Sunday service at 58 branches (as of Oct 17)

how well we are doing 2021 service level changes

Province-wide shutdown (stay-at-home order)

Toronto Grey Lockdown

Province-wide shutdown

Ontario Reopening Step 1-3

always available

- ✓ Access to over 650,000 digital items to borrow – books, movies, audiobooks, magazines, newspapers

- ✓ Access to online learning resources – e.g. Lynda.com, Brainfuse

- ✓ Wifi access outside at all library branches

- + Live and on-demand online programming for all ages

- + Instant Digital Card for Overdrive access

- + Answerline email & social media service

January 2021

Curbside drop-off & pick-up of materials

- ✓ Drop box returns
- ✓ Curbside holds pick-up

+

- ✓ Grab & Go Bags

March 2021

Limited in-branch services

- ✓ In-branch holds pick-up
- ✓ Grab & Go Bags
- ✓ In-branch computer access
- ✓ Print, scan & photocopy
- ✓ Washroom access

April 2021

Curbside drop-off & pick-up of materials

- ✓ Drop box returns
- ✓ Curbside holds pick-up
- ✓ Grab & Go Bags

+

(June 7)

- ✓ In-branch computer access
- ✓ Print, scan & photocopy
- ✓ Washroom access

June - October 2021

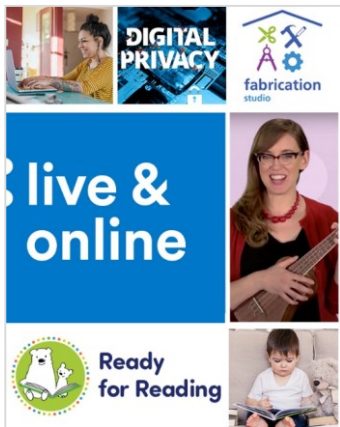
Additional in-branch services:

- ✓ Self-checkout of holds
- ✓ Grab & Go Bags
- ✓ In-branch computer access
- ✓ Print, scan & photocopy
- ✓ Washroom access
- ✓ In-branch library card registration
- ✓ Browse and borrow items
- ✓ Connect and use Wi-Fi
- ✓ Work or study (with limited seating)
- ✓ DIHs & Fabrication Studio
- ✓ Youth Hubs
- ✓ Bookmobile & Home Library Service

+

- ✓ Reopening of closed branches (one in August, seven in September)
- ✓ Reinstatement of Sunday service

how well we are doing outcomes



Online programs

- 96% learned something new
- 91% would participate in future TPL programs
- 39% were new or lapsed library customers

“ This is a fantastic way of allowing us to continue to use our library for all sorts of learning.

Amazing - I am learning Anishinaabemowin ... Thank you TPL for helping to share, teach and preserve this priceless language.

There are many TPL programs that I've always wanted to attend, but never had the time (work, commuting, etc.). One benefit of this lockdown period is that I've been able to attend more programming live or watch recorded programming.

”



Seniors Tech Help

On-demand and appointment-based support to:

- connect seniors with their families and friends online
- provide seniors with device basics help
- help seniors access TPL digital resources

“ The Seniors Tech Help must be kept so we seniors can get the help we need. I had a 50 minute talk with one young man who helped me learn to sync my overdrive books to my Kobo. I have had many operations and am 82 years old so I need to be able to talk to a person who understands my problem and can talk me through to the solution.

Thank you so much for the service provided by TPL to seniors such as myself during these many months. Being 81 years of age, I found myself being pretty special in that someone “cared” about our well being.

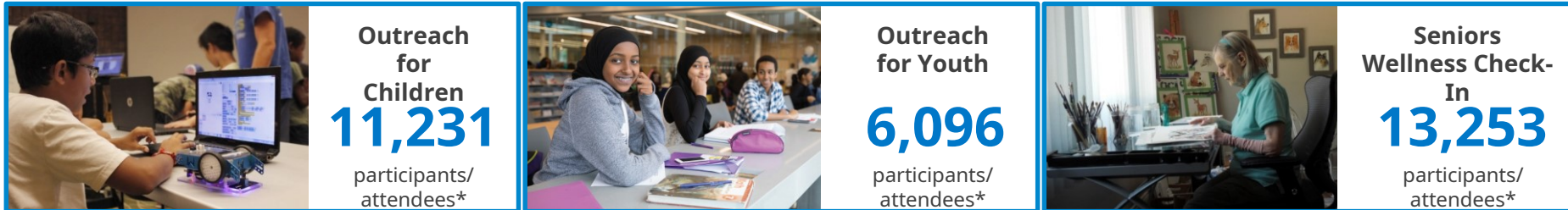
”

how well we are doing outcomes

TPL has supported the community with critical social services throughout the pandemic.
The library partnered with Ontario Health to boost vaccine confidence and vaccination rates.



TPL continues to design **outreach campaigns** to meet the shifting needs of Torontonians brought about by the pandemic.



*January-July 2021

welcome

Fully reinstate services while ensuring a safe and healthy environment for staff and customers.

Encourage customers to return to their branch and help them understand all TPL has to offer.

modernization



Advance TPL's digital strategy to create a modern, connected and sustainable data and technology environment that is transformation-ready; improve customer/employee experiences



Develop hybrid models of digital/in-person service delivery; continue to add digital services and community-based services as needed. Expansion of digital literacy and access.



Support the City's equity, poverty reduction and economic recovery objectives, with a focus on fines elimination and support for vulnerable communities; improved accessibility to physical space

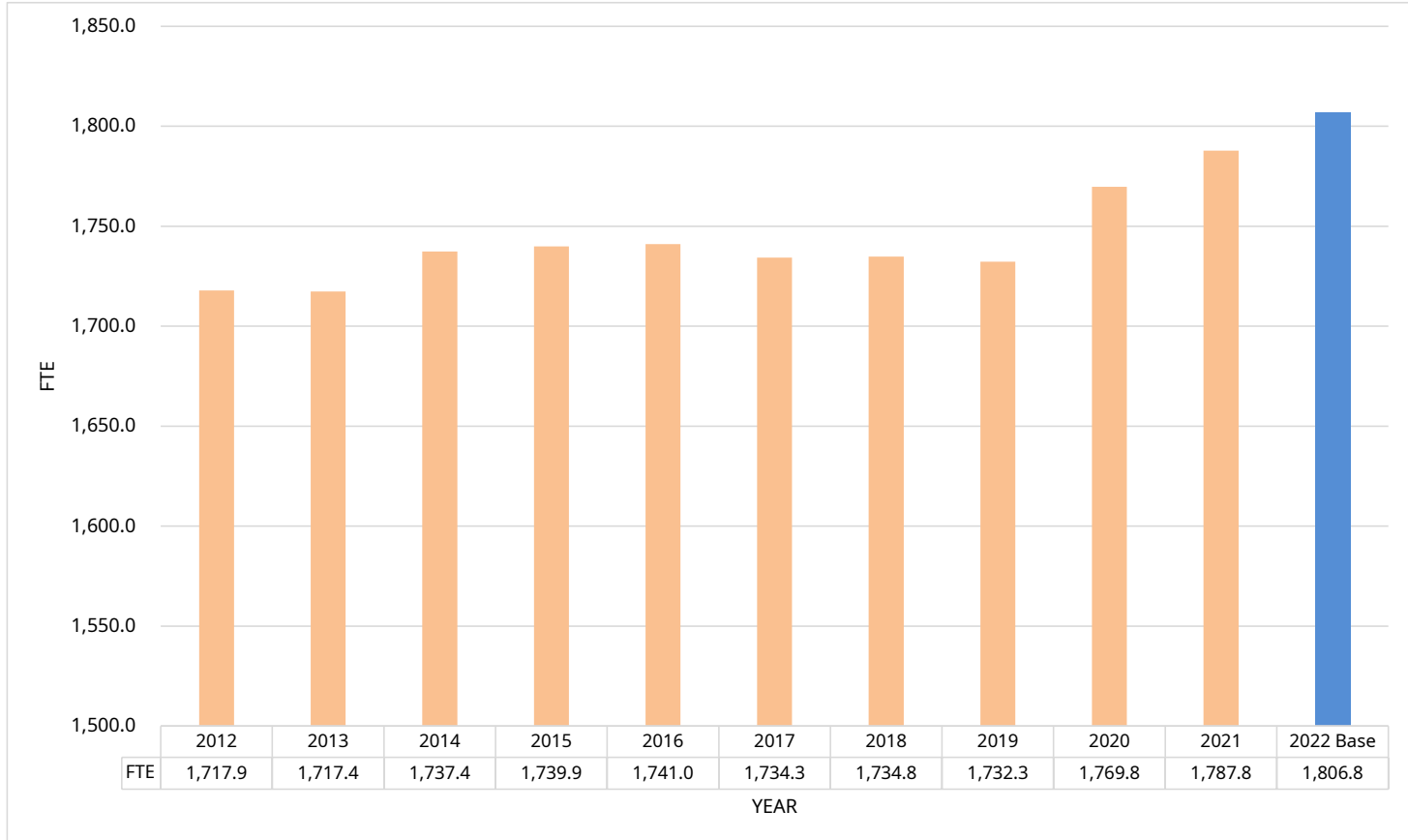


Improve TPL's Employee Experience

- Productivity & collaboration tools and processes
- DE&I and digital literacy training and education

history of staff changes

staff increases to support expanded service





2022 operating budget



2022 operating budget key issues and opportunities

- Manage base pressures: salary COLA, collections, contracts, economic factors
- Modernization and digital transformation
- IT Asset Replacement Reserve
- COVID impact: reduced revenues + increased costs
- Support equity and inclusion, esp. for vulnerable populations, through poverty reduction initiatives and economic recovery



2022 budget service assumptions

- Return to full service in 2022
- Respond to surges in demand and adjust services and operations as needed as part of pandemic response
- Continue to be responsive with digital services and community-based services

2022 operating budget: overview

	2022 Net Budget Increase	
	\$ million	%
Recurring net base budget pressures	1.965	0.9%
Reinstatement of services	4.710	2.3%
Reversal of 2021 COVID funding	(5.933)	-2.9%
Base Budget, before 2022 COVID pressures	0.742	0.3%
2022 COVID budget pressures	4.779	2.4%
Base Budget, including 2022 COVID pressures	5.522	2.7%
Budget Enhancements	1.411	0.7%
Total Budget Increase	6.932	3.4%

recurring net base
budget pressures:
\$1.965 M; 0.9%

2022 operating budget recurring net base budget pressures

	2022		
	<u>FTEs</u>	<u>NET</u>	<u>%</u>
Salary and Benefits		1.851	0.8%
Other Base Budget Changes			
Children Fines Elimination		0.300	0.1%
Contracted Services		0.987	0.5%
Library Materials		0.429	0.2%
Supplies and Services & Rent		0.190	0.1%
Utilities		0.091	0.0%
Contribution to Fleet Reserve		0.012	0.0%
Digital Services Modernization	4.0	0.233	0.1%
Capital Projects Delivery Modernization	3.0	-	0.0%
Operating impact of capital	12.0	0.717	0.4%
Contribution to Asset Replacement		-	0.0%
Recurring Pressures	19.0	2.960	1.5%
Savings & Efficiencies		(2.846)	-1.4%
Total Recurring Net Base Budget Pressures	19.0	1.965	0.9%

2022 operating base budget savings & efficiencies

savings & efficiencies:
-\$2.846 M, -1.4%

Vacancy Experience Impact
Forgo 2022 library materials economic increase
Line by line efficiencies
Total Savings & Efficiencies

2022		
<u>FTEs</u>	<u>NET</u>	<u>%</u>
	(2.267)	-1.1%
	(0.429)	-0.2%
	(0.150)	-0.1%
<u>-</u>	<u>(2.846)</u>	<u>-1.4%</u>

2022 operating budget reversal of 2021 COVID-19 impacts

2021 COVID-19 budget impacts:
-\$1.223 M, -0.6%

Reinstatement of services
Reversal of 2021 COVID-19 financial impacts
Total 2021 COVID-19 Budget Impact

2022		
<u>FTEs</u>	<u>NET</u>	<u>%</u>
	4.710	2.3%
	(5.933)	-2.9%
<u>-</u>	<u>(1.223)</u>	<u>-0.6%</u>

2022 operating budget

2022 COVID-19 impact

2022 COVID-19 budget impacts:
\$4.779 M, 2.4%

HVAC costs for MERV13 filter
Janitorial services & supplies
Guard services
Reduction in venue costs and revenues
Reduction in other revenues
Total 2022 COVID-19 Budget Impact

2022		
<u>FTEs</u>	<u>NET</u>	<u>%</u>
	0.655	0.3%
	0.650	0.3%
	2.000	1.0%
	0.570	0.3%
	0.904	0.4%
<u>-</u>	<u>4.779</u>	<u>2.4%</u>

2022 operating budget budget enhancements

	Raising the Village	Safeto: Community Safety & Well-Being Plan	TO Prosperity: Toronto Poverty Reduction Strategy	Toronto Action Plan to Confront Anti-Black Racism	Toronto Civic Engagement Strategy	Toronto Newcomer Strategy	Toronto Recovery and Rebuild Strategy	Toronto Seniors Strategy 2.0	Toronto Strong Neighbourhoods Strategy	Toronto Youth Equity Strategy	Working as One: Workforce Development Strategy for Toronto
Fines Elimination - Adults & Teens	✓		✓	✓		✓	✓	✓	✓	✓	
Digital Literacy for Seniors			✓		✓	✓	✓	✓	✓		
Community Librarians		✓	✓	✓		✓	✓	✓	✓	✓	✓

2022 operating budget budget enhancements

budget enhancements: **\$1.411 M; 0.7%**

	2022			2023			2024		
	<i>FTEs</i>	<i>NET</i>	<i>%</i>	<i>FTEs</i>	<i>NET</i>	<i>%</i>	<i>FTEs</i>	<i>NET</i>	<i>%</i>
Fines Elimination - Adults & Teens		1.100	0.5%		0.300	0.1%			
Digital Literacy for Seniors	2.0	0.206	0.1%	2.0	0.465	0.2%			
Community Librarians Outreach	2.0	0.104	0.1%	2.0	0.318	0.2%			
Open Hours Plan			0.0%	90.0	8.321	4.0%	-	8.321	3.8%
Total Budget Enhancements	4.0	1.411	0.7%	94.0	9.404	4.5%	-	8.321	3.8%

- Advance TPL strategic objectives
- Support many of City of Toronto Key Strategies
- Focus on increasing equity

2022 operating budget enhancements

adult & teens fines elimination

2022: **\$1.100 million; 0.5%**

- Fines as a barrier and creator of social inequity
- Declining fines revenue
- Elimination of adult & teens overdue fines in 2022 – \$1.4M offset by \$0.3M from potential donation through TPL Foundation to spread budget pressure over two years
- Alignment with City strategic priorities
- 189 library systems in Canada, 27 in Ontario, have already eliminated fines

2022 operating budget enhancements

digital literacy for seniors

2022: **\$0.206 million; 0.1% including 2.0 FTEs**

To support the City's Senior Strategy 2.0, TPL will expand digital literacy skills for Seniors by:

- Purchase of Neighbourhood Tech Kits to support in-branch programming that delivers foundational digital literacy skills instruction and social inclusion
- Additional staffing for community-based programming to deliver digital literacy supports and library services to seniors in Toronto Community Housing Corporation (TCHC) locations
- Phased over 2 years; 2023: additional \$0.465 million & 2.0 FTEs

2022 operating budget enhancements

community outreach librarians

2022: **\$0.104 million, 0.1% including 2.0 FTEs**

New community librarianship model provides service to vulnerable, underserved populations at point-of-need

- Focus on shelters and refugee/newcomer centres
- Moves librarians out of traditional library settings into a new community-based framework for providing library service
- Phased over 2 years: 2023: additional \$0.318 million & 2.0 FTEs

2022 operating budget summary

2021 Approved Operating Budget

Recurring net base budget pressures

Reinstatement of services

Reversal of 2021 COVID-19 budget impacts

Base Budget Increase, before 2022 COVID

2022 COVID budget pressures

Base Budget Increase, including 2022 COVID

2022 Operating Base Budget

Budget Enhancements

Budget Increase

Total 2022 Operating Budget

2022			2023		2024	
<u>FTEs</u>	<u>NET</u>	<u>%</u>	<u>NET</u>	<u>%</u>	<u>NET</u>	<u>%</u>
1,787.8	203.048		208.570		218.436	
19.0	1.965	0.9%	9.866	4.7%	7.152	3.3%
	4.710	2.3%				
	(5.933)	-2.9%				
19.0	0.742	0.3%	9.866	4.7%	7.152	3.3%
	4.779	2.4%				
19.0	5.522	2.7%	9.866	4.7%	7.152	3.3%
1,806.8	208.570	2.7%	218.436	4.7%	225.588	3.3%
4.0	1.411	0.7%	9.404	4.5%	8.321	3.8%
23.0	6.932	3.4%	19.271	9.2%	15.473	7.1%
1,810.8	209.981	3.4%	227.841	9.2%	233.909	7.1%

2021

Early Nov – Budget Committee Informal Reviews

Dec 6 – [TPL Board Meeting](#)

2022

Jan – Budget Launch, Budget Committee

Jan – [TPL Board Meeting](#)

Jan to Feb – Budget Committee Review

Feb – Executive Committee Review

Feb – Final Budget Approval, Special Council

Feb – [TPL Board Meeting](#)

No. 14 – 2022 Operating Budget Submission

The City Librarian recommends that the Toronto Public Library Board:

1. approves the 2022 operating base budget submission of \$208.570 million net (\$228.190 million gross), which represents a \$5.522 million net (\$7.682 million gross) increase, or 2.7%, over the 2021 operating budget, comprised of:
 - a. a base budget increase of \$0.742 million net (\$4.457 million gross), or 0.3%, before 2022 COVID-19 pressures, as detailed in Attachment 1; and
 - b. COVID-19 related budget increases of \$4.779 million net (\$3.225 million gross), or 2.4%, as detailed in Attachment 1;
2. approves 2022 budget enhancements totalling \$1.411 million net (\$0.311 million gross), or 0.7% as detailed in Attachment 1; and
3. authorizes staff to forward this operating budget submission to the City for consideration