



Operating Budget Monitoring Report – June 30, 2007

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| Date: | September 17, 2007 |
| To: | Toronto Public Library Board |
| From: | City Librarian |

SUMMARY

The purpose of this report is to provide the Toronto Public Library Board with a summary of gross and net expenditures of the Library for the six months ending June 30, 2007.

As a result of the first six months of operations in 2007, Toronto Public Library (TPL) reports an unfavourable net expenditure variance of \$36,100, which represents 0.05% of the 2007 approved budget.

FINANCIAL IMPACT

Net expenditures for the six-month period ending June 30, 2007 were over-spent by \$36,100, which represents 0.05% of the 2007 budget. Expenditures and revenues are monitored on an ongoing basis to ensure that spending is within the approved budget.

The Director, Finance and Treasurer has reviewed this report and agrees with the financial impact information.

ISSUE BACKGROUND

At its meeting of April 20 and 23, 2007, City Council approved the Library's 2007 Net Operating Budget of \$149,712,342.

Operating results are reported to the Toronto Public Library Board on a quarterly basis.

COMMENTS

As of June 30, 2007, TPL had an unfavourable net expenditure variance of \$36,100 due to an unfavourable expenditure variance of \$723,200 and a favourable revenue variance of \$687,100.

Most of the unfavourable year-to-date expenditure variances in salaries, supplies, equipment, services and rents are offset by funding from external grants and donations.

The year-to-date favourable revenue variance of \$687,100 consists of favourable variances in revenues from fines, room rental, leasing income and additional funding from external grants and donations for designated library programs.

The net unfavourable variance of \$36,100 is attributable to timing of some services and supplies purchases to be covered by budget of later months.

At the time of evaluating the results of the first six months of operations in 2007, the year-end forecast of net expenditures was expected to be within the approved budget. Restricted grants and donations would fully offset the cost of providing designated library programs.

At its special meeting of July 25, 2007, the Board approved 2007 cost containment measures totalling \$1.2 million, which included a hiring freeze, Sunday closures, a reduction to library materials and curtailment of discretionary expenses. The impact of the 2007 cost containment measures will be addressed in the Operating Budget Monitoring Report of September 30, 2007.

CONTACT

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SIGNATURE

Josephine Bryant
City Librarian

ATTACHMENTS

Attachment 1: Operating Budget Monitoring Report for the Period Ending June 30, 2007