



STAFF REPORT INFORMATION ONLY

Accounts Written Off in 2025

Date: May 25, 2026
To: Toronto Public Library Board
From: City Librarian

SUMMARY

The purpose of this report is to inform the Toronto Public Library Board of the purge of outstanding customer accounts and balances resulting in the write-off of outstanding fines and fees in 2025 under the delegated authority provided to the City Librarian. The amounts written off are primarily comprised of the balances of purged customer accounts from the Integrated Library System (ILS) on an annual basis in accordance with criteria set out in the [Membership Policy](#).

A total of \$173,360 in outstanding customer fines and fees were written off in 2025 as part of the annual ILS system purge of customer accounts. With the elimination of overdue fines, the remaining fines on purged accounts in 2025 and for future years will be primarily for lost materials and referral collection agency fees.

The annual purging of long outstanding and inactive accounts which are deemed uncollectible, and write-off of the purged account balances, is standard business practice for libraries. Revenues from fines and fees are recognized when received. The approved operating budget reflects this, therefore amounts written off from purged accounts do not impact the financial results reported through the operating budget monitoring reports.

Any single account balance greater than \$25,000 requires Board approval to be written off. There were none in 2025. Section 12 of the Financial Control Policy authorizes the City Librarian to write off outstanding accounts of \$25,000 or less owed to the Library as uncollectable if reasonable efforts have been made to collect the outstanding amount.

FINANCIAL IMPACT

The total amount written off in 2025 as a result of the annual purge of outstanding customer accounts and balances was \$173,360. Aside from the write-off of the purged uncollectible account balances, there were no other write-offs in 2025.

The approved operating budget for TPL includes minimal expected revenue from fines and fees. The approved operating budget reflects only fines and fee amounts that are recorded in revenue, and these amounts are only recorded when received as is standard practice for public libraries. Therefore, the annual purge of customer accounts and subsequent write-off of outstanding balances do not impact the TPL operating results reported through the budget monitoring reports in any material way. This budgeting and accounting practice for fines and fees has been reviewed with the external auditors and the City of Toronto's Auditor General's Office.

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

ALIGNMENT WITH STRATEGIC PLAN

This report supports TPL's 2025-2029 Strategic Plan priorities of Shared Community Spaces and Awareness and Availability by ensuring TPL spaces remain accessible and inclusive. The elimination of overdue fines in 2022 and the ongoing purging of accounts will ensure customers can return to the Library and open new accounts and access services in welcoming and accessible community spaces. The Public Libraries Act is based on the principle of free library services. TPL's mandate is to preserve and promote equitable, universal access to information and high-quality services and programs in a welcoming and supportive environment.

EQUITY IMPACT STATEMENT

TPL's account purge and write-off approach 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.

DECISION HISTORY

At its meeting on May 26, 2025, the Library Board received report [Accounts Written-Off in 2024](#) which informed the Board of the accounts purged and amounts written off in 2023 under the City Librarian's delegated authority.

At its meeting on September 23, 2024, the Library Board approved the [Membership, Circulation, and Collection Use Policy Update](#). This policy has a provision to annually purge customer accounts based on the balance owing and the period since last activity.

At its meeting on March 28, 2022, the Board approved the report [Membership, Circulation and Collection Use Policy – Revision, Implementation & Communication Plan](#), which permanently eliminated overdue fines for teens and adults as well as the write-off of outstanding overdue fines for teens and adults at that time.

At its meeting on April 26, 2021, the Board approved the report [Membership, Circulation and Collection Use Policy \(Including Fines and Fees\) – Update](#), which permanently eliminated overdue fines on materials borrowed on children's library cards as well as the write-off of outstanding fines on children's cards at that time.

At its meeting on June 19, 2006, the Board reviewed the report from the Auditor General entitled [Fines and Income Review - Toronto Public Library](#) and approved the recommendations contained within the report. As part of its 2005 annual work plan, the City's Auditor General performed a review of TPL's fines and fees and income. One of the recommendations made by the Auditor General was to ensure that all account write-offs during the year, including customer fines related to overdue and lost materials and other fees, be formally approved by management and reported to the Board on a periodic basis.

ISSUE BACKGROUND

The annual system purge, i.e., the purging of certain long-outstanding and inactive accounts which are deemed uncollectible, is standard business practice for libraries. The Membership Policy sets out the criteria for the annual purge of outstanding account balances from the ILS. TPL purges account balances only after taking the following actions to collect them:

- Notifying customer by email or telephone at five, 10, and 20 days overdue;
- Temporarily suspending borrowing privileges when more than \$100 in payable charges is owed or more than 10 items are overdue;
- Mailing notices with account billing and collection agency warning at 30 and 50 days overdue;
- Referring adult accounts to a collection agency after 70 days overdue and two billing notices for amounts over \$50, requesting that they contact the Library to resolve their account. An administrative fee of \$15 is added to accounts referred for collection. Note, the collection agency does not collect payments directly and only receives a percentage of the amount collected if a customer makes a payment or returns the outstanding materials on their account;
- When the last use of the library card is more than two years and the total balance owing is less than or equal to \$100; and
- When the last use of the library card is more than five years and the total balance is equal to or greater than \$100.

Only when these measures have failed are the accounts purged and account balances written-off.

Overdue fines were originally introduced to encourage customers to return materials on time, but increasingly the fines became a barrier to access and the use of library services, especially for vulnerable communities. Overdue fines have had a disproportionate impact on racialized and low-income communities in Toronto. Over the course of 2021 and 2022 TPL eliminated overdue fines on children's, teen and adult cards. This has resulted in a reduction in subsequent fine write-offs and purges, and has allowed many customers to return to using library services who were previously prevented due to fines on their accounts.

COMMENTS

The amount of fines and fees written-off in 2025 was \$173,360 and was a direct result of the annual system purge of customer accounts and outstanding balances on these accounts for lost materials, referral fees, and remaining amounts of overdue fines. Table 1 below summarizes these amounts from 2022 to 2025.

Table 1: 2022 to 2025 Total Write-offs

| Type of Fine/Fee | 2022 | 2023 (A) | Additional 2023 amounts written off in 2024 * (B) | Total 2023 (A+B) | 2024 (C) | 2025 |
|--|-------------------|-------------------|--|---------------------|-------------------|-------------------|
| Fines for past due | \$ 156,313 | \$ 1,093 | | \$ 1,093 | \$ 1,275 | \$ 1,691 |
| Lost Materials | \$ 250,704 | \$ 274,099 | \$ 117,144 | \$ 391,243 | \$ 151,582 | \$ 160,642 |
| Referral fees | \$ 23,005 | \$ 10,679 | | \$ 10,679 | \$ 21,827 | \$ 11,027 |
| Total Write Off from Purged accounts | \$ 430,022 | \$ 285,871 | \$ 117,144 | \$ 403,015 | \$ 174,684 | \$ 173,360 |
| Teen and adult fines (fine eliminated in 2022) | \$ 292,435 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fines | \$ 292,435 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Write off of Purged Accounts | \$ 722,457 | \$ 285,871 | \$ 117,144 | \$ 403,015 | \$ 174,684 | \$ 173,360 |
| Tenant lease write-offs | \$ 44,970 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other write-offs | \$ 1,200 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Tenant Lease and Other Write-offs | \$ 46,170 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Write-offs | \$ 768,627 | \$ 285,871 | \$ 117,144 | \$ 403,015 | \$ 174,684 | \$ 173,360 |

* The total amount written off in 2024 was \$291,828 consisting of the "additional 2023 amounts written off in 2024 (B)" and the 2024 (C) amounts. Additional 2023 amounts written off in 2024 were not included as part of the annual purge of customer accounts in 2023 because of the cybersecurity incident, but were included in the 2024 annual purge and write offs.

The date criteria used for the 2025 account purge were:

- January 1, 2024, when the last use of the library card is more than two years (for accounts less than or equal to \$100); and
- January 1, 2021, when the last use of the library card is more than five years (for accounts over \$100).

The total amount written-off from purged accounts was slightly less than the 2024 amount (\$174,684), with fees for lost materials being the majority of the balance being written off.

Table 2 below outlines the trend of the average balance of purged accounts from 2022 to 2025.

Table 2: Average balance of purged accounts from 2022 to 2025

| | 2022 | 2023 | 2024 | 2025 |
|---|-----------------|-----------------|-----------------|-----------------|
| Fines for past due | \$ 156,313 | \$ 1,093 | \$ 1,275 | \$ 1,691 |
| Lost Materials | \$ 250,704 | \$ 391,243 | \$ 151,582 | \$ 160,642 |
| Referral fees | \$ 23,005 | \$ 10,679 | \$ 21,827 | \$ 11,027 |
| Total Write-off of Purged Accounts | \$ 430,022 | \$ 403,015 | \$ 174,684 | \$ 173,360 |
| Number of accounts Affected | 18,144 | 9,705 | 3,539 | 9,668 |
| Average account balance | \$ 23.70 | \$ 41.53 | \$ 49.36 | \$ 17.93 |

While the purged amount in 2025 is slightly lower than 2024, the 2025 average balance per account is much lower at \$17.93 vs. \$49.36 in 2024. This is the result of the purge of 6,357 accounts in 2025 with balances related to holds not picked up fines (\$11,154 of the total 2025 write-off), which is a \$1.00 fee per library material placed on hold that the patron does not pick up. This fine only applies to adults, as the fee for children and teens were eliminated in 2021 and 2022 respectively. The purge of these fines was suspended during the pandemic (2020 to 2022) and cybersecurity incident (2023 to 2024). Additionally, the holds not picked up fine was waived on a one-time basis in April 2022 as part of the broader overdue fines elimination initiative.

Table 3 adjusts the average balance per account purged for the holds not picked up fine. When removing this fine, and the accounts impacted by it, the average account balance is \$48.99 which is more aligned with the average 2023 and 2024 account balances.

Table 3: Average balance of purged accounts excluding holds not picked up fines

| | 2025 |
|---|-------------------|
| Total Write off | \$ 173,360 |
| Less Holds Not Picked Up fines | \$ (11,154) |
| Total Write-off less Holds Not Picked Up fines | \$ 162,206 |
| Number of accounts less accounts related to Holds Not Picked Up | 3,311 |
| Average account balance | \$ 48.99 |

TPL will continue to manage inactive accounts through the Membership and the Circulation and Collection Use Policies, including the purging of these accounts and balances, and will report to the Board the amounts written-off on an annual basis.

CONTACT

Marco Cuoco; Director, Finance & Chief Financial Officer; Tel: 416-397-5946;
Email: mcuoco@tpl.ca

SIGNATURE

Moe Hosseini-Ara
City Librarian