

Operating Budget Monitoring Report – June 30, 2012

Date:	September 24, 2012
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 on June 30, 2012, and a year-end projection.

As of June 30, 2012, Toronto Public Library (TPL) reports a favourable net expenditure variance of \$2.924 million, consisting of a favourable expenditure variance of \$2.716 million and a favourable revenue variance of \$0.208 million.

A year-to-date surplus of \$2.924 million is primarily the result of the March 2012 Toronto Public Library Workers Union Local 4948 CUPE labour disruption. The year-end projection of a \$4.137 million surplus includes savings from the labour disruption and other savings.

FINANCIAL IMPACT

Net expenditures for the six months ending June 30, 2012 were under-spent by \$2.924 million, primarily due to the March 2012 labour disruption.

Additional 2012 savings would result in a year-end surplus of \$4.137 million; any operating surplus at the end of the year is returned to the City.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

ISSUE BACKGROUND

TPL's 2012 operating budget of \$179.414 million gross and \$164.487 million net was approved by Council on January 17, 2012.

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

COMMENTS

As of June 30, 2012, TPL has a favourable net expenditure variance of \$2.924 million, consisting of a favourable expenditure variance of \$2.716 million and a favourable revenue variance of \$0.208 million. The current surplus is primarily due to staffing cost savings from the labour disruption.

External grants and donations reflected under other revenue provide funds for salaries, supplies, equipment and services to support specific programs.

The year-end projection shows a net surplus of \$4.137 million comprised primarily of:

- staffing cost savings of \$3.7 million mainly due to the labour disruption, and additional savings in salaries and sick-leave costs resulting from the Voluntary Separation Program implemented earlier in the year; and
- contracted services savings of \$0.4 million.

Attachment 1 provides 2012 year-to-date budget versus actual variances, as well as year-end expenditure and revenue forecast with a projected year-end surplus.

CONTACT

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SIGNATURE

Jane Pyper
City Librarian

ATTACHMENTS:

Attachment 1: Operating Budget Monitoring Report for the Period Ending June 30, 2012