

Report to/Rapport au :

**OTTAWA PUBLIC LIBRARY BOARD
CONSEIL D'ADMINISTRATION DE LA BIBLIOTHÈQUE PUBLIQUE D'OTTAWA**

**May 12, 2014
Le 12 mai 2014**

**Submitted by/Soumis par : Brenda Gorton
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Ref N°: OPLB-2014-0054

SUBJECT: Q1 2014 Financial Report

OBJET : Rapport financier du premier trimestre de 2014

REPORT RECOMMENDATION

That the Ottawa Public Library Board receive this report for information

RECOMMANDATION DU RAPPORT

Que le C.A. de la Bibliothèque publique d'Ottawa prenne connaissance de ce rapport, à titre d'information.

BACKGROUND

As of the first quarter 2014, the Ottawa Public Library (OPL) is on track and is forecasting a break even at year end. Revenues are forecasted to come in under budget by year end due to the on-going impact of the Beaverbrook branch closure. Total expenditures are forecasted to be 0.7% under budget, offsetting the small deficit in revenues.

DISCUSSION

Financial Reports:

1. Operating Financial Report for first quarter, ending March 31, 2014, Appendix A

- a. At the first quarter, the Library's net expenditures are under budget at 24.5%.

- b. Total gross expenditures are under budget at 23.4%.
- c. Total gross revenues are under budget at the end of the first quarter at 11.8%.

2. First Quarter Forecast Report: Appendix B

- a. Based on the first quarter results, net expenditures are forecasted to be under budget by 0.7%. This is a result of lower spending on Fleet operations and maintenance, and gapping vacant positions for the Beaverbrook Branch, which will be filled in time for its reopening later this summer.
- b. At the first quarter, revenues are forecasted to be under budget by 7.2% or \$295,000 by year end. This is an impact of facility closures in the first quarter and the impact of fine notification.
- c. Net Expenditures are forecasted at year end to be on budget at year end, very close to break even.

3. Report on External Funds Raised for First Quarter: Appendix C

Total revenue raised to-date through fundraising initiatives in the first quarter is \$180,683. The breakdown is as follows: \$45,075 from the Ottawa Public Library Foundation; \$147,792 from the Friends of the Ottawa Public Library; \$26,784 for general donations; \$39,746 owing for the Immigrant Settlement & Adaptation program (ISAP) from 2013; and \$778 rolled over from 2013 for SOLS.

4. Report on Contract Expenditures (January 1 to March 31, 2014): Appendix D

In accordance with the Acquisitions of Goods and Services Procedure, Appendix D contains a list of contracts valued at more than \$10,000 and less than \$150,000, awarded for the period of January 1, 2014 to March 31, 2014. New to this reporting cycle, is the addition of contracts associated with 2014 capital projects for which the CEO received delegated spending authority beyond \$150,000 during the 2014 budget process. The Board approves contracts in excess of \$150,000, save and except those 2014 capital project expenditures for which the CEO has received delegated spending authority.

5. Library Board operation report for the First Quarter: Appendix E

At the first quarter, the Board's operating budget is 5.5% spent.

6. Capital Financial Report for First Quarter, ending March 31, 2014, Appendix F.

Attached in Appendix F is the report on capital spending as of the first quarter.

CONSULTATION

The Library Senior Management Team was consulted in preparing this report.

LEGAL IMPLICATIONS

There are no legal implications associated with this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

ACCESSIBILITY IMPACTS

There are no accessibility impacts related to this report.

TECHNOLOGY IMPACTS

There are no technology impacts associated with this report.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

BOARD PRIORITIES

This report aligns with strategic direction E. Excellence in Governance, Accountability and Financial Sustainability.

SUPPORTING DOCUMENTATION

1. Appendix A – Operating Financial Report for first quarter, ending March 31, 2014
2. Appendix B – First Quarter Forecast Report
3. Appendix C - Report on External Funds Raised for First Quarter
4. Appendix D - Report on Contract Expenditures (January 1, 2014 to March 31, 2014)
5. Appendix E - Library Board operation report for the First Quarter
6. Appendix F - Capital Financial Report for First Quarter, ending March 31, 2014

DISPOSITION

There are no dispositions associated with this report.

APPENDIX A

OTTAWA PUBLIC LIBRARY
Operating Financial Report (without External Funds Raised)
As at March 31, 2014 (25 % of year)

<u>Revenues</u>	2014 Budget	Year to Date Actuals	Overbudget (Underbudget)	% of Budget
Provincial Grant	1,380,000	-	(1,380,000)	0.0%
Reserve Fund Transfers	605,000	-		
Meeting Room Rentals	64,360	12,538	(51,822)	19.5%
Library Fines	1,302,451	239,532	(1,062,919)	18.4%
Library Fees	258,245	58,891	(199,354)	22.8%
Lease - Main Parking Garage & Tower	470,640	113,760	(356,880)	24.2%
Donations	-	815	815	0.0%
Miscellaneous Revenue	50,391	60,122	9,731	119.3%
Total Revenue	4,131,087	485,658	(3,040,429)	11.8%

2013 Year to Date Actuals	% of Budget Spent
(1,330,000)	-96.4%
	0.0%
12,370	19.2%
285,095	21.9%
53,790	20.8%
117,060	24.9%
7,792	0.0%
3,300	6.5%
(850,593)	-23.7%

<u>Expenditures</u>	2014 Budget	Year to Date Actuals	Overspent (Underspent)	% of Budget Spent
Salaries & Benefits	32,059,622	7,651,364	24,408,258	23.9%
Purchased Services			-	
Staff Training & Travel	478,094	42,257	435,837	8.8%
Administrative Services	840,706	101,866	738,840	12.1%
Equipment Service & Maintenance	834,650	395,059	439,591	47.3%
Materials & Supplies				
Library Materials	4,882,000	1,012,461	3,869,539	20.7%
Library Supplies	266,807	110,610	156,197	41.5%
Administration & Other Supplies	213,550	17,428	196,122	8.2%
Fixed Assets	542,560	35,354	507,206	6.5%
Operating Recovery	(100,000)	(47,929)	(52,071)	47.9%
Fleet Costs	155,416	30,452	124,964	19.6%
Program Facility Costs	4,151,786	950,904	3,200,882	22.9%
Corporate Allocations – Merchant Fees, Insurance Claims, Software Mtce	418,241	143,612	274,629	34.3%
Other Internal Costs	110,693	33,333	77,360	30.1%

2013 Year to Date Actuals	% of Budget Spent
7,822,931	24.8%
31,231	20.3%
56,321	6.8%
120,679	12.6%
986,788	20.2%
34,612	12.1%
29,227	15.0%
6,045	13.3%
(26,893)	26.9%
34,486	22.2%
845,513	21.2%
86,105	24.8%
21,467	19.4%

Total Expenditures	44,854,125	10,476,771	34,377,354	23.4%
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10,048,512	23.2%
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City of Ottawa Contribution	40,723,038	9,991,113	30,731,925	24.5%
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10,899,105	27.4%
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OTTAWA PUBLIC LIBRARY
Status Report to March 31, 2014 (25% of the year)

Revenues	Budget 2014	Actual 31-Mar-14	Forecast April - Dec	Forecast 31-Dec-14	Variance	% of Budget	Comments
Provincial Grant	1,380,000	-	1,380,000	1,380,000	-	0.0%	2014 expected in 4th quarter
Library Reserve Fund	605,000	-	605,000	605,000	-	0.0%	Reserve fund transfer in Q4
Facilities Rental	535,000	126,298	394,759	521,057	(13,943)	-2.6%	Meeting room rentals are down compared to Q1 2013
Library Fines	1,302,451	239,532	698,202	937,734	(364,717)	-28.0%	Fines revenue is impacted by closure of Beaverbrook Branch and fine notification
Library Fees	258,245	58,891	232,958	291,849	33,604	13.0%	Library fee revenues are up compared to Q1 2013
Miscellaneous Revenue	50,391	60,937	39,063	100,000	49,609	98.4%	Includes US Embassy funding for Maker Space
Total Revenues	4,131,087	485,658	3,349,982	3,835,640	(295,447)	-7.2%	

Expenditures	Budget 2014	Actual 31-Mar-14	Forecast April - Dec	Forecast 31-Dec-14	Variance	% of Budget	Comments
Salary & Benefits	32,059,622	7,651,364	24,129,258	31,780,622	279,000	0.9%	Savings from closure of Beaverbrook Branch
Purchased Services	2,150,450	540,733	1,609,717	2,150,450	-	0.0%	
Library Materials	4,882,000	1,012,461	3,869,539	4,882,000	-	0.0%	
Materials & Supplies	480,357	128,038	352,319	480,357	-	0.0%	
Financial	3,000	(1,551)	2,351	800	2,200	73.3%	Tracking of cash over/under on library deposits
Fixed Assets	542,560	35,354	507,206	542,560	-	0.0%	
Operating Recovery	(100,000)	(47,928)	(52,072)	(100,000)	-	0.0%	
Facility Program Costs	4,151,786	950,904	3,200,882	4,151,786	-	0.0%	
Fleet Costs	155,416	30,452	92,167	122,619	32,797	21.1%	Forecast based on comparison to Q1 2013
Corporate Allocations – Merchant Fees, Insurance Claims, Software Mtce	418,241	143,612	274,629	418,241	-	0.0%	
Secondary Costs (COE)	110,693	33,333	95,650	128,983	(18,290)	-16.5%	Forecast based on comparison to Q1 2013
Total Expenditures	44,854,125	10,476,772	34,081,646	44,558,418	295,707	0.7%	

City of Ottawa Contribution	40,723,038	9,991,114	30,731,664	40,722,778	260	0.0%	Projected Surplus
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OTTAWA PUBLIC LIBRARY
External Funds Raised Financial Report
As at March 31, 2014

Revenues	Year to Date Actuals
Friends of the Ottawa Public Library	147,792
Ottawa Public Library Foundation	45,075
Early Literacy	778
Library Programs/Resources – general donations	26,784
ISAP Program	(39,746)
Total Revenue	180,683

Expenditures	Year to Date Actuals
Compensation	36,251
Purchased Services	1,985
Library Materials	8,823
Materials & Supplies	4,360
Fixed Assets	3,543
Secondary Activities	1,882
Total Expenditures	56,844
Surplus Expenditures	-123,839

OTTAWA PUBLIC LIBRARY
Report on Contract Expenditures
As at March 31, 2014

In accordance with the Acquisitions of Goods and Services Procedure, the following is a list of contracts valued at more than \$10,000 and less than \$150,000, awarded for the period from January 1, 2014 to March 31, 2014. In addition, the list also includes contracts associated with 2014 capital projects for which the CEO received delegated spending authority beyond \$150,000 during the 2014 budget process. The Board approves contracts in excess of \$150,000.

Requirement	Successful Contractor	Contract Amount	Date Awarded
Supply and delivery of twenty-six (26) Smart-Bin Containers for use at the City's Automated Materials Handling System (AMHS).	TECH LOGIC CORP	\$106,568.16	2014.01.07
Temporary Placement of IT Professional Service resource (Drupal Developer) to assist Ottawa Public Library to replace existing event registration system with one that can be integrated with Drupal.	IBISKA TELECOM INC	\$ 11,219.04	2014.01.28
To provide security services at the Ottawa Public Library Main Branch located at 120 Metcalfe Street.	NEPTUNE SECURITY SERVICES INC	\$107,915.26	2014.01.29
Inter branch courier services for the Ottawa Public Library – rural branches.	DYNAMEX	\$ 17,110.09	2014.02.07
French Language "e-books" digital e-book lending services.	GROUPE ARCHAMBAULT	\$ 10,176.00	2014.02.18
Supply and deliver fifty (50) boxes with 'ultra removable eight-up' labels.	PROSERV BUSINESS PRODUCTS LLC	\$ 11,649.93	2014.02.26
Supply and install Smartstation/Smartserve equipment, RFID Self-Checkout Kiosks and Dual Aisle Security Gate for Beaverbrook Branch location as part of West District Library Project.	SIRSIDYNIX	\$ 56,123.18	2014.03.10
Cloud Hosting Services (virtual servers) to support the Ottawa Public Library's web site infrastructure for an initial period of one (1) year.	NOVA NETWORKS	\$ 14,500.80	2014.03.12
Professional services for Drupal Design and Development of the Ottawa Public Library's website.	BV02 INC	\$ 15,552.67	2014.03.12
Professional services to conduct and deliver a Technology Assessment Plan for the Ottawa Public Library.	KEN ROBERTS LIBRARY CONSULTING	\$ 15,264.00	2014.03.12
Supply and install library wood shelving at the Beaverbrook OPL Branch.	LIBRARY OUTFITTERS	\$ 75,341.48	2014.03.12
Supply RFID Sorting System for the Greenboro Branch.	RFID LIBRARY SOLUTIONS	\$220,290.06	2014.03.13
Supply, deliver and install Smartserve equipment, RFID Self-Checkout Kiosks and Dual Aisle Security Gate for Greenboro Branch.	SIRSIDYNIX	\$ 51,066.17	2014.03.13
Professional services - up to 25 days - Drupal Developer for the Ottawa Public Library.	IBISKA TELECOM INC	\$ 17,172.00	2014.03.20
To add an online summer reading club program to the OPL's existing online catalogue for the period June 21, 2014 to August 31, 2014.	BIBLIOCOMMONS INC	\$ 16,658.11	2014.03.26
First year of a three (3) year software as a service subscription to a demographics information system for use by the Ottawa Public Library.	ENVIRONICS ANALYTICS	\$ 19,080.00	2014.03.27
Hold Locker system	SIRSIDYNIX	\$ 31,367.52	2014.03.31

Note: Contract amounts include HST if applicable. All purchase orders issued by the Library greater than \$10,000 are issued by the City's Supply Management Division, ensuring all purchasing policies and procedures have been met.

OTTAWA PUBLIC LIBRARY
Library Board Operating Budget
As at March 31, 2014 (25% of the year)

Expenditures	2014 Budget	2014 Actuals	Unspent	% Spent
Conferences & Conventions	10,000	(454)	10,454	-4.5%
Business Expense	1,500	1,085	415	72.3%
Local Transportation	500	52	448	10.4%
Freight/Courier	500	204	296	40.8%
Professional Services	19,635	382	19,253	1.9%
Receptions/Luncheons	2,500	408	2,092	16.3%
Memberships	2,000	-	2,000	0.0%
Parking	500	183	317	36.6%
Sundry	500	241	259	48.2%
Miscellaneous Supplies	500	-	500	0.0%
Total Expenditures	38,135	2,101	36,034	5.5%

2013 Actuals	% Spent
892	16.2%
1,598	35.5%
39	3.9%
102	3.4%
34	0.2%
562	18.7%
-	0.0%
(483)	-30.2%
775	38.8%
-	0.0%
3,519	9.2%

OTTAWA PUBLIC LIBRARY
Capital Report
As at March 31, 2014

Capital Project Account		Approved Budget	Prior Year Expenditures	2014 Actuals	Total Spent	Commitments	Funds Available	% Spent
903626	Bookmobile Replacement 2011	250,000	7,498	2,976	10,475	234,895	4,630	98.1%
904671	Bookmobile 2014	110,000	0	0	0	108,097	1,903	98.3%
905766	General Repairs & maint 2011	110,000	79,944	24,735	104,679	628	4,693	95.7%
905767	Furniture and Equipment 2011	175,000	159,013	0	159,013	9,421	6,566	96.2%
905408	General Repairs & Maint 2010	225,000	230,896	0	230,896	4,283	(10,179)	104.5%
906359	General Repairs & Maint 2012	50,000	40,839	0	40,839	0	9,161	81.7%
906390	Furniture & Equipment 2012	135,000	129,045	0	129,045	3,043	2,912	97.8%
906394	Vehicle Replacement 2012	74,098	74,098	0	74,098	0	0	100.0%
907046	Furniture & Equipment 2013	0	0	0	0	0	0	0.0%
907047	General Repairs & Maint 2013	200,000	70,500	26,469	96,968	55,877	47,155	76.4%
907048	Vehicle Replacement 2014	40,000	0	0	0	40,291	(291)	100.7%
907049	IT Library Comp/Equip 2013	240,000	112,062	0	112,062	3,811	124,127	48.3%
907051	IT/ILS Desktop Maint 2013	319,873	26,966	0	26,966	1,331	291,576	8.8%
* General Maintenance		2,810,000	879,079	32,672	911,751	144,514	1,753,735	37.6%
904352	IT ILS Desktop Maintenance 2007	517,000	517,000	0	517,000	0	0	100.0%
905620	IT Library Comp & IT Equip 2010	240,695	239,933	0	239,933	0	762	99.7%
905768	IT Library Comp & IT Equip 2011	200,000	199,945	0	199,945	0	55	100.0%
905769	IT ILS/Desktop Maintenance 2011	185,000	133,072	(29)	133,043	25,267	26,690	85.6%
905770	IT Self Checkout Systems 2011	4,065	4,065	0	4,065	0	(0)	100.0%
905772	IT Web Based Lib. Serv. Maint. 2011	94,854	82,616	0	82,616	4,545	7,693	91.9%
905627	IT E-Payment 2010	200,000	75,400	0	75,400	0	124,600	37.7%
905628	IT Library Kiosk Project 2010	150,000	26,798	6,103	32,901	0	117,099	21.9%
906391	IT Library Comp/Equip 2012	450,000	293,251	4,509	297,761	147,388	4,851	98.9%
906392	IT/ILS Desktop Maint 2012	180,000	3,918	0	3,918	0	176,082	2.2%
906393	IT Web Based Lib Serv Maint 2012	161,331	76,639	20,748	97,387	37,829	26,115	83.8%
* IT Maintenance		2,382,945	1,652,638	31,331	1,683,968	215,029	483,948	79.7%
** Maintenance of City Assets		4,311,916	2,583,498	85,511	2,669,008	676,706	966,202	77.6%

	Capital Project Account	Approved Budget	Prior Year Expenditures	2014 Actuals	Total Spent	Commitments	Funds Available	% Spent
903577	Replacement of Main Library 2008	800,000	779,063	0	779,063	0	20,937	97.4%
904359	Library Retrofits 2009	375,000	244,884	30,579	275,463	27,115	72,422	80.7%
904856	IT E-payment 2009	100,000	29,737	0	29,737	0	70,263	29.7%
905105	Replacement of Main Library 2009	1,025,000	81,119	16,177	97,296	142,525	785,179	23.4%
905623	Library Retrofits 2010	732,802	688,688	22,349	711,037	16,661	5,104	99.3%
905055	Innovation & Strateg Initiative 2011	24,386	13,042	0	13,042	19	11,325	53.6%
905771	Library Retrofits 2011	560,000	493,838	(33)	493,805	0	66,195	88.2%
905779	Signage 2011	37,983	37,983	0	37,983	0	0	100.0%
905708	New Central Library - Land Acquisition	26,000,000	188,984	0	188,984	0	25,811,016	0.7%
906398	Library Retrofits 2012	300,000	102,652	103	102,755	4,246	192,999	35.7%
906399	Smart Bins 2012	50,000	50,406	0	50,406	0	(406)	100.8%
906400	IT RFID 2012	1,735,000	1,685,862	11,619	1,697,481	47,456	(9,937)	100.6%
906401	Innovation & Strateg. Initiative 2012	165,046	63,090	3,892	66,982	20,000	78,064	52.7%
907349	RFID 2014	1,860,000	0	60,197	60,197	363,462	1,436,341	22.8%
907350	Constance Bay Expansion	400,000	0	0	0	0	400,000	0.0%
907351	Rosemount - Planning/Retrofits	100,000	0	0	0	0	100,000	0.0%
907056	IT RFID 2013	985,000	903,230	0	903,230	40,373	41,397	95.8%
907057	Library Retrofits 2013	700,000	510,899	2,246	513,145	19,976	166,879	76.2%
		35,950,217	5,873,475	147,130	6,020,605	681,833	29,247,779	18.6%
904628	West District Library 2009	10,000,000	4,175,252	1,153,573	5,328,825	3,544,202	1,126,973	88.7%
904630	Collections 2009	1,500,000	1,498,917	18,673	1,517,590	0	(17,590)	101.2%
904366	Collections 2011	1,102,000	0	0	0	0	1,102,000	0.0%
905631	Collections 2010	500,000	59,932	82,354	142,286	0	357,714	28.5%
906395	Collections 2012	1,000,000	0	0	0	0	1,000,000	0.0%
** Growth		14,102,000	5,734,101	1,254,600	6,988,701	3,544,202	3,569,097	74.7%
*** Order group Total		54,364,133	14,191,073	1,487,241	15,678,315	4,902,741	33,783,078	37.9%