

Report to / Rapport au:

**Ottawa Public Library Board
Conseil d'administration de la Bibliothèque publique d'Ottawa**

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Submitted by / Soumis par:

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File Number: OPLB-2019-0504

SUBJECT: First Quarter 2019 Financial Statements

OBJET: Rapport financier du 1^{re} trimestre 2019

REPORT RECOMMENDATION

That the Ottawa Public Library Board receive the 2019 first quarter financial reports.

RECOMMANDATION DU RAPPORT

Que le Conseil d'administration de la Bibliothèque publique d'Ottawa prenne connaissance des rapports financiers du 1^{er} trimestre de 2019.

BACKGROUND

At the end of the first quarter, March 31, 2019, or 25 percent of the year, Ottawa Public Library (OPL) total expenditures are at 23.9 percent; 1.1 percent or \$538,079 less than the calendarized budget. In the same period, total revenues are at 10.6 percent, 14.4 percent under budget. Total revenue results are 4.4 percent less than those of the same period in 2018. Total expenditures are 1.8 percent lower than the same period in 2018. Overall, the net operating budget as at March 31, 2019 is at 24.7 percent or 0.3 percent under the first quarter target.

DISCUSSION

Financial Reports:

1. Appendix A – 2019 Q1 Operating Financial Report, ending March 31, 2019:

- a. At the end of first quarter, the OPLs total gross expenditures are under budget at 23.9 percent. For the same period in 2018, gross expenditures were at 25.7 percent.
- b. Total net expenditures are under budget at 24.7 percent, 1.9 percent less from Q1 2018. Purchased services for the library have been spent at a faster rate and are well over the first quarter target at 46.2 percent as at the end of March 2019. Expenses in this category are concentrated in the beginning of each fiscal year in order to streamline the management of maintenance contracts for business systems, equipment, and virtual services platforms. This practice provides for better coordination of services, cleaner fiscal transactions, and normalizes the effective terms of contractual agreements.
- c. Total gross revenues are under budget at the end of the first quarter at 10.6 percent or \$300,233. When comparing with Q1 2018, only meeting room rentals exceeded planned revenues and these gains are offset by the loss of the parking garage rental revenues.

2. Appendix B – 2019 Q1 External Funds Report, ending March 31, 2019:

The balance of external revenues received from external sources at the end of the first quarter is \$470,669. The breakdown is as follows: \$363,156 from the Friends of the Ottawa Public Library Association (FOPLA); \$27,662 from general donations; and \$79,851 from the Ottawa Community Foundation of Ottawa (OCF). Funds are planned to be used to further expand the library collection and to fund programs for children, older adults, and newcomers to Canada.

3. Appendix C – 2019 Q1 Library Board Operating Report, ending March 31, 2019:

At the end of Q1, the Board's operating budget is 4.4 percent spent.

4. Appendix D – 2019 Q1 Capital Report, ending March 31, 2019:

Attached in Appendix D is the report on capital account status as of the end of Q1, 2019. Remaining capital balances are at \$7,721,547. The Rosemount Planning/Renewal account indicates planned overspending by \$144K. There is a

second account titled Rosemount Revitalization, which contains an additional \$400K that was approved as part of the 2019 budget process. As a result, the net value for the project is a surplus of \$256K.

CONSULTATION

There were no public consultations performed for the purpose of 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.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with this report.

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with this report.

BOARD PRIORITIES

This report falls within the Board core value of Accountability and is a fundamental citizen expectation of good governance and management for a public organization.

SUPPORTING DOCUMENTATION

1. Appendix A – 2019 Q1 Operating Financial Report
2. Appendix B – 2019 Q1 External Funds Report
3. Appendix C – 2019 Q1 Board Budget Report
4. Appendix D – 2019 Q1 Capital Report

DISPOSITION

The next quarterly financial status report will be brought forward to the Board in September 2019 for information purposes. The report will encompass the financial results from April to June, 2019.