

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-2019-0403

SUBJECT: 2018 Fourth Quarter Financial Status Report

OBJET: Rapport financier du 4^e trimestre 2018

REPORT RECOMMENDATION

That the Ottawa Public Library Board receive the 2018 fourth quarter financial reports.

RECOMMANDATION DU RAPPORT

Que le Conseil d'administration de la Bibliothèque publique d'Ottawa prenne connaissance des rapports financiers du 4^e trimestre de 2018.

BACKGROUND

At the end of the 2018 fiscal year, Ottawa Public Library (OPL) closed its financial books with a \$36,987 surplus. Total expenditures for the year were underspent by 0.8 percent or \$394,679. Revenue results are 9.8 percent or \$357,692 under budget. The reported surplus is 0.1 percent less than the total Library planned budget for 2018. The surplus amount will be returned to the OPL reserve fund according to municipal financial practices.

DISCUSSION

Financial Reports:

1. Appendix A - 2018 Q4 Operating Financial Report, ending December 31, 2018:

- a. At year end, total revenues were under budget by 9.8 percent or \$357,692. Meeting room rentals and other fees exceeded planned revenues. These gains are offset by a decrease in fines collected and by the sale of the Main branch and subsequent loss of parking garage rental revenues in 2018.
- b. Total expenditures were under budget by 0.8 percent or \$394,679. Underspent compensation and fleet budgets offset higher than planned expenditures in supplies and facilities costs.
- c. Provincial grants of \$1,449,484 were received in 2018. The amount received was greater than the planned amount of \$1,380,000 as a result of the Library Services Innovation, Food Literacy grant funding accruals from 2017 to 2018.
- d. At year end, OPL had a surplus of 0.1 percent or \$36,987. The 2018 surplus result is a combination of reasonable revenue performance and fiscally responsible spending throughout the year.

2. Appendix B – 2018 Q4 External Funds Raised Financial Report, ending December 31, 2018:

Total revenue received from external sources in 2018 was \$447,033. The breakdown is as follows: \$49,190 from Special Projects and Programs; \$330,677 from the Friends of the Ottawa Public Library Association (FOPLA); \$1,944 from the federally sponsored Immigrant Settlement and Adaption Program (ISAP); \$18,819 from general donations; and \$46,403 from the Ottawa Community Foundation (OCF). Funds were used to further expand the library collection and fund programs for children, older adults, and newcomers to Canada.

3. Appendix C – 2018 Q4 Contract Expenditures, ending December 31, 2018:

In accordance with the Acquisitions of Goods and Services Procedure, Appendix C contains a list of contracts valued at more than \$15,000 and less than \$500,000

awarded for the period of July 1, 2018 to December 31, 2018. Contracts awarded based on capital authority delegated to the Chief Executive Officer (CEO) are also included in Appendix C. The Board approves all contracts greater than \$500,000, approved as part of the annual budget process. Capital expenditures in Appendix C encompass purchases required for the OPL-LAC Joint Facility Project, RFID licensing and maintenance, and security contracts.

4. Appendix D – 2018 Q4 Library Board Operating Report:

At year end, the Board's operating budget was 46.6 percent spent. This is primarily the result of under spending in professional services, and conferences and conventions categories.

5. Appendix E – 2018 Q4 Capital Report, ending December 31, 2018:

Attached in Appendix E is the report on capital account status as of the end of 2018. Remaining capital balances are at \$5,977,540 with more than half of that amount residing in capital accounts for the Rosemount renovation and the OPL-LAC Joint Facility planning project.

6. Appendix F – 2018 Q4 Trust Funds Report, ending December 31, 2018:

The City of Ottawa, on behalf of OPL, holds and manages 13 trust funds. These are funds raised in the community to be held in trust for either specific or unspecified use. These funds generated \$98,756 in interest and revenue in 2018. In addition, OPL receives fund management services from the Ottawa Community Foundation (OCF), an external, not-for-profit, fund management agency. OCF provides interest payments derived from eight trust funds on an annual basis. These funds have specific instructions to support library needs including library materials, furniture, or age-specific programming and services. In 2018, OCF provided \$61,952 in earned interest.

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 – 2018 Q4 Operating Financial Report
2. Appendix B – 2018 Q4 External Funds Report
3. Appendix C – 2018 Q4 Contract Expenditures Report
4. Appendix D – 2018 Q4 Board Budget Report
5. Appendix E – 2018 Q4 Capital Report
6. Appendix F – 2018 Q4 Trust Funds Report

DISPOSITION

The next quarterly financial status report will be brought forward to the Board in May 2019 for information purposes. The report will encompass the financial results from January to March, 2019.