

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-2015-0023

SUBJECT: Fourth Quarter 2014 Financial Statements

OBJET: Rapport financier du 4^e trimestre 2014

REPORT RECOMMENDATION

That the Ottawa Public Library Board receive the 2014 fourth quarter financial reports.

RECOMMANDATION DU RAPPORT

Que le conseil de la Bibliothèque publique d'Ottawa prenne connaissance des rapports financiers du 4^e trimestre de 2014.

BACKGROUND

As of year-end 2014, the Ottawa Public Library (OPL) is reporting a surplus of \$521,934. Revenues for the year were under budget by \$231,360. Decreased fine

revenues accounted for the shortfall with most other revenue categories outperforming their respective budget plans. The fines revenue line continues to be impacted by the fine notification system and facility closures for renovations. Expenditures are under budget by \$739,252 with savings in operations as a result of continued RFID implementation at five additional branches throughout the year.

DISCUSSION

Financial Reports:

1. Operating Financial Report for Fourth Quarter, ending December 31, 2014, Appendix A

- a. At year end, total revenues are under budget by 5.6% or \$231,360. Fines and Meeting Room revenues together were significantly under budget by an aggregate of 21.2%. However, all other revenue lines performed better than planned offsetting the revenue shortfall by greater than \$57,000. In Q4 revenue performance was strong, surpassing Q3 forecasted year-end totals by \$25,000.
- b. Total expenditures are under budget by 1.7% or \$739,252. Compensation is under budget by 2.5%, a result of further RFID implementation and subsequent savings which were re-invested to accommodate additional FTE's at the expanded Beaverbrook branch which re-opened on August 14, 2014.
- c. In 2014, the Provincial Operating and First Nations Supplemental Salary Grant was received in October and was in an amount commensurate with 2013.
- d. At 2014 year end, the Library has a surplus of \$521,934. The total surplus will be transferred to the Library reserve fund following the Surplus/Deficit Report to Council in 2015.

2. Report on External Funds Raised for Fourth Quarter: Appendix B

Total revenue raised and spent from external funds in 2014 is \$459,427. The Friends of the Ottawa Public Library and Citizenship and Immigration Canada

through the Immigrant Settlement & Adaptation (ISAP) program were respectively the two largest external contributors to the OPL in 2014.

3. Report on Contract Expenditures (October 1 to December 31, 2014): Appendix C

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 October 1, 2014 to December 31, 2014, as well as contracts covered by the 2014 capital budget CEO delegated authority. The Board approves contracts in excess of \$150,000, with the exception of those 2014 capital projects pre-approved through the budget process.

4. Library Board Operating Report for the Fourth Quarter: Appendix D

At year-end, the Board's operating budget was 54.9% spent.

5. Capital Financial Report for Fourth Quarter, ending December 31, 2014, Appendix E

Attached in Appendix E is the report on capital account status as of year-end 2014.

6. Report on Ottawa Public Library Trust Funds as at December 31, 2014: Appendix F

The City of Ottawa, on behalf of the Ottawa Public Library, holds 14 trust funds. These are funds raised in the community to be held in trust for specific projects and/or library facilities and materials. As well, the Library receives funds from the Community Foundation of Ottawa, which is an external agency that manages a series of community trust funds, some with specific instructions to direct funds to the support of the Ottawa Public Library. The 2014 trust fund activity is outlined in Appendix F.

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 impacts 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 – Operating Financial Report for Fourth Quarter, ending December 31, 2014
2. Appendix B – Report on External Funds Raised for Fourth Quarter
3. Appendix C - Report on Contract Expenditures (October 1 to December 31, 2014)
4. Appendix D - Library Board operation report for the Fourth Quarter
5. Appendix E - Capital Financial Report for Fourth Quarter, ending December 31, 2014
6. Appendix F - Report on Ottawa Public Library Trust Funds as at December 31, 2014

DISPOSITION

There are no dispositions associated with this report.