

Report to/Rapport au :

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

**November 17, 2014
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Ref N°: OPLB-2014-0103

SUBJECT: Q3 2014 FINANCIAL REPORTS

OBJET : RAPPORT FINANCIER DU TROISIÈME 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 third quarter of 2014, the Ottawa Public Library (OPL) financials are on track, forecasting a surplus of approximately \$316,000. Revenues continue to track lower than expected (-\$259,000). This is primarily due to temporary closures for capital fit-ups at branches converting to RFID technology and a continued increase to the circulation of e-content material. Should expenses continue to trend as they are, total expenditures

are expected to be 1.3% under budget by year-end due to compensation savings resulting from Beaverbrook branch reopening in August of this year.

DISCUSSION

Financial Reports:

1. Operating Financial Report for Second Quarter, Ending September 30, 2014 (Appendix A)

- a. At third quarter, the Library's net expenditures are slightly under budget at 73.7%.
- b. Total gross expenditures are under at 71.5%.
- c. Total gross revenues are under budget at the end of third quarter, at 49%.
- d. In 2013, the Provincial Operating and First Nations Supplemental Salary Grant were received in July and is included in the 2013 revenue section of Appendix A. In 2014, the grant application was approved by the Province in October. As such, it is not included in the 2014 revenue section of Appendix A. Rather, it will be noted in the Q4 Financial Report.

2. Third Quarter Forecast Report (Appendix B)

- a. Based on the third quarter results, net expenditures are forecasted to be under budget by 0.8% with a surplus of \$316,197. This is primarily the result of gapping salaries in waiting for the reopening of the Beaverbrook branch in August.
- b. At third quarter, revenues are forecasted to be under budget by 6.3% or \$259,000 by year-end. This is primarily due to email fine notification, an increase to circulation of e-content materials and impacts resulting from temporary closures for capital fit-ups at branches converting to RFID technology.
- c. A net surplus is forecasted at year-end of \$316,000.

3. Report on External Funds Raised for Third Quarter (Appendix C)

Total revenue raised to-date through fundraising initiatives in third quarter is \$500,533. The breakdown is as follows: \$295,180 from the Friends of the OPL; \$46,714 in general donations; \$103,032 for the Immigrant Settlement & Adaptation program (ISAP); \$3,616 for Early Literacy; \$778 from the Southern Ontario Library Service (SOLS) and \$51,213 forwarded from 2013 from the OPL Foundation. A plan is in place for expending the balance from the Foundation by year-end.

4. Report on Contract Expenditures, July 1 – September 30, 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 July 1, 2014 to September 30, 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.

5. Library Board Operating Budget for Third Quarter (Appendix E)

At the end of the third quarter, the Board's operating budget is 22.6% spent. As per motion 20140707/6, the Board Budget lines for Professional Services and for Parking were realigned to rectify the previously stated deficit in the Board Parking budget.

6. Capital Financial Report for Third Quarter, ending September 30, 2014 (Appendix F)

Appendix F represents capital spending as of the end of third quarter. Spending on capital projects is progressing in-line with planned project milestones.

LEGAL IMPLICATIONS

There are no legal implications with respect to this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk implications with respect to this report.

ACCESSIBILITY IMPACTS

There are no accessibility impacts with respect to this report.

TECHNOLOGY IMPACTS

There are no technology impacts with respect to this report.

FINANCIAL IMPLICATIONS

There are no financial implications with respect to this report.

SUPPORTING DOCUMENTATION

[Appendix A – 2014 Q3 Operating Financial Report](#)

[Appendix B – Forecast Report to September 30, 2014](#)

[Appendix C – External Funds Raised Financial Report as at September 30, 2014](#)

[Appendix D – Report on Contract Expenditures, July 1 to September 30, 2014](#)

[Appendix E – Library Board Operating Budget as at September 30, 2014](#)

[Appendix F – Capital Report as at September, 2014](#)

DISPOSITION

There are no dispositions associated with this report.