Report to/Rapport au :

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

**March 17, 2014
Le 17 mars 2014**

**Submitted by/Soumis par : Brenda Gorton
Financial Services Unit Account Manager**

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Ref N°: OPLB-2014-0027

SUBJECT: Fourth Quarter 2013 Financial Statements

OBJET :   Rapport financier du 4e trimestre 2013

REPORT RECOMMENDATION

That the Ottawa Public Library Board receive the 2013 fourth quarter financial reports.

RECOMMANDATION DU RAPPORT

Que le conseil de la Bibliothèque publique d'Ottawa prenne connaissance des rapports financiers du 4e trimestre de 2013.

BACKGROUND

As of year-end 2013, the Ottawa Public Library (OPL) is reporting a surplus of $337,652. Revenues are under budget by a little less than $63,000 with fine revenues continuing to track under budget and lower than in 2011. This revenue line continues to be impacted by the fine notification system and facility closures for renovations. Expenditures are under budget by $400,000 with savings in compensation as a result of RFID implementation at three branches (Alta Vista, Emerald Plaza, and Nepean Centrepointe). Savings will be used to create the additional positions needed to open

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the expanded Beaverbrook Branch in the summer of 2014. Other expenditure savings occurred as a result of the 2013 capital transfers to operating for non-TCAR projects under IT and Professional Services.

DISCUSSION

Financial Reports:

1. **Operating Financial Report for first quarter, ending December 31, 2013, Appendix A**

   a. At year end, total Revenues are under budget by 1.7% or $62,857. Although Library Fines were significantly under budget, this was partially offset by additional revenue from provincial and federal funding and on-going donations.

   b. At year-end, total expenditures are under budget by 0.9% or $400,509.

      Compensation is under budget by $174,000 as a result of savings from RFID implementation set aside for the expanded Beaverbrook Branch. Equipment Service & Maintenance is under budget by $266,000. Administrative Services is under budget by $245,000. These expenditure lines increased in 2013 as a result of the transfer from capital for non-TCAR budgets for IT and professional services. This is offset by IT equipment requirements found under fixed assets, which is over budget by $164,000.

   c. At 2013-year end, the Library has a surplus of $337,652, 0.9% under the approved budget. The total surplus will be transferred to the Library reserve fund following the Surplus/Deficit Report to Council in 2013.

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

   Total revenue raised and spent from external funds in 2013 is $512,676.

3. **Report on Contract Expenditures (October 1 to December 31, 2013): Appendix C**

   In accordance with the Acquisitions of Goods and Services Procedure, Appendix C contains a list of contracts valued at more than $10,000 and less than $150,000, awarded for the period of October 1, 2013 to December 31, 2013. The Board approves contracts in excess of $150,000.

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4. Library Board operation report for the First Quarter: Appendix D

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

5. Capital Financial Report for First Quarter, ending December 31, 2013, Appendix E

Attached in Appendix E is the report on capital spending as of year-end 2013.

6. Report on Ottawa Public Library Trust Funds as at December 31, 2013: 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 2013 trust fund activity is outlined in Appendix F. Newly added this year is the Library Board's Fundraising trust account, 840046 with a balance of $14,604.

CONSULTATION

Not applicable.

LEGAL IMPLICATIONS

There are no legal implications.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications.

ACCESSIBILITY IMPACTS

There are no accessibility impacts.

TECHNOLOGY IMPACTS

There are no technology impacts.

FINANCIAL IMPLICATIONS

There are no financial implications.

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 Fourth Quarter,
      ending December 31, 2013
2. Appendix B – Report on External Funds Raised for Fourth Quarter
3. Appendix C - Report on Contract Expenditures
      (October 1 to December 31, 2013)
4. Appendix D - Library Board operation report for the Fourth Quarter
5. Appendix E - Capital Financial Report for Fourth Quarter,
      ending December 31, 2013
6. Appendix F - Report on Ottawa Public Library Trust Funds
      as at December 31, 2013

DISPOSITION

There are no dispositions associated with this report.

OTTAWA PUBLIC LIBRARY
Operating Financial Report (without External Funds Raised)
As at December 31, 2013

Revenues	2013 Budget	Year to Date Actuals	Overbudget (Underbudget)	% of Budget	2012 Year to Date Actuals	% of Budget Spent
Provincial Grant	1,380,000	1,430,656	50,656	103.7%	1,430,000	103.6%
Federal Funding	70,000	101,524	31,524	145.0%	85,791	122.6%
Meeting Room Rentals	64,360	67,484	3,124	104.9%	75,020	116.6%
Library Fines	1,302,451	1,116,107	(186,344)	85.7%	1,178,217	90.5%
Library Fees	258,245	266,571	8,326	103.2%	269,910	104.5%
Lease - Main Parking Garage & Tower	470,640	466,494	(4,146)	99.1%	469,990	99.9%
Donations	-	38,995	38,995	0.0%	7,288	0.0%
Miscellaneous Revenue	50,391	45,399	(4,992)	90.1%	19,154	38.0%
Total Revenue	**3,596,087**	**3,533,230**	**(62,857)**	**98.3%**	**3,535,370**	**98.3%**

Expenditures	2013 Budget	Year to Date Actuals	Overspent (Underspent)	% of Budget Spent	2012 Year to Date Actuals	% of Budget Spent
Salaries & Benefits	31,408,562	31,234,438	174,124	99.4%	30,791,298	99.9%
Purchased Services			-			
Staff Training & Travel	153,694	177,937	(24,243)	115.8%	155,236	95.2%
Administrative Services	858,949	613,745	245,204	71.5%	391,808	100.7%
Equipment Service & Maintenance	905,272	639,466	265,806	70.6%	461,632	67.7%
Materials & Supplies						
Library Materials	4,882,000	4,977,391	(95,391)	102.0%	4,887,665	100.1%
Library Supplies	266,807	274,571	(7,764)	102.9%	309,504	108.3%
Administration & Other Supplies	214,085	184,212	29,873	86.0%	182,196	93.9%
Fixed Assets	45,560	210,149	(164,589)	461.3%	179,332	393.6%
Operating Recovery	(100,000)	(79,067)	(20,933)	79.1%	(151,374)	151.4%
Fleet Costs	155,416	138,862	16,554	89.3%	129,692	83.4%
Program Facility Costs	3,957,302	3,996,597	(39,295)	101.0%	3,946,521	101.7%
Corporate Allocations – Merchant Fees, Insurance Claims, Software Mtce	418,241	424,813	(6,572)	101.6%	285,105	90.2%
Other Internal Costs	110,802	83,067	27,735	75.0%	110,230	99.5%
Total Expenditures	**43,276,690**	**42,876,181**	**400,509**	**99.1%**	**41,678,845**	**99.7%**
City of Ottawa Contribution	**39,680,603**	**39,342,951**	**337,652**	**99.1%**	**38,143,475**	**99.8%**

OTTAWA PUBLIC LIBRARY
External Funds Raised Financial Report
As at December 31, 2013

Revenues	Year to Date Actuals
Friends of the Ottawa Public Library	274,642
Ottawa Public Library Foundation	69,804
Early Literacy	8,608
Library Programs/Resources – general donations	11,295
ISAP Program	111,364
SOLS Grant	36,963
Total Revenues	**512,676**

Expenditures	Year to Date Actuals
Compensation	101,644
Purchased Services	11,565
Library Materials	82,388
Materials & Supplies	50,647
Fixed Assets	250,672
Secondary Activities	15,760
Total Expenditures	**512,676**
Surplus Expenditures	**0**

OTTAWA PUBLIC LIBRARY
Report on Contract Expenditures
As at December 31, 2013

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 October 1 to December 31, 2013. The Board approves contracts in excess of $150,000.

Attached is the Q4 2013 Purchasing figures for the Ottawa Public Library. This includes:
- All POs created in Q4 2013 with a value >= $10K
- All POs amended in Q4 2013 with a total increase to the PO >=$10K
- Includes a Professional Services designation or Follow-on/Amendment/Extension designation as per the definitions in the purchasing by-law (if applicable)
- Includes a non-competitive rationale as per the sections stipulated in the by-law (Section 22(1) if applicable)

Requirement	Successful Contractor	Contract Amount	Date Awarded
Supply and delivery of 25 Smart-Bin Containers for use at the City's Automated Materials Handling System (AMHS).	TECHLOGIC	$ 105,898.32	2013.10.03
To supply, deliver and install one Smartstation 200; including two Smartserve 400 RFID Self-Checkout Kiosks with Bar Code Scanner and training at the Rockcliffe Library location.	SIRSIDYNIX	$ 18,581.37	2013.10.04
To supply, deliver and install 24 Smartstation 200/Shielded Staffing Stations; and one SmartDispenser for the Main Library, equipped with a dispensing station and three additional towers.	SIRSIDYNIX	$ 60,002.79	2013.10.07
Professional services to undertake a Bookmobile service review for the Ottawa Public Library.	DANIX MANAGEMENT LIMITED	$ 45,563.04	2013.10.16
Supply and install library wood and metal shelving for the Children's area of the OPL Main Branch.	LIBRARY OUTFITTERS	$ 70,066.24	2013.10.17
Services to install a hosted (cloud) virtual server environment for the Ottawa Public Library's web site infrastructure.	NOVA NETWORKS	$ 16,906.20	2013.10.20
Supply and deliver 40,000 custom printed and encoded Library cards.	ITC SYSTEMS	$ 35,310.72	2013.11.01

To provide 100 Smartstation consoles to various Library locations.	SIRSIDYNIX	$ 90,039.28	2013.11.05
Supply and deliver computer furniture to the Ottawa Public Library.	LIBRARY OUTFITTERS	$ 50,138.17	2013.11.18
Product and services to set up a remote test environment for the Ottawa Public Library's Symphony Integrated Library Information system.	SIRSIDYNIX	$ 21,074.50	2013.11.22
To provide 2014 Service Maintenance Agreement for the Hazeldean Library location for the Automated Service Handling System.	RFID LIBRARY SOLUTIONS	$ 10,176.00	2013.12.05
Supply of 3-D printer systems (x2), 3D Print System Peripherals, Laser Cutter and 3D Scanner for the Ottawa Public Library's Maker Space Project.	ENVIROLASER LIMITED	$ 66,284.63	2013.12.06
The supply and installation of security card readers and associated door hardware on 12 doors at the Nepean Centrepointe Library Branch.	360 ADVANCED SECURITY CORP	$ 27,799.45	2013.12.11
Annual renewal of front line technical support for software that provides the public with downloading capabilities regarding audio and e-books for the Ottawa Public Library	OVERDRIVE INC	$ 14,246.40	2013.12.16
Annual renewal of a subscription for a software-as-a-service integrated search tool used by Ottawa Public Library to permit patrons to do unlimited catalogue searches online.	EBSCO PUBLISHING CO	$ 11,361.50	2013.12.16
Provide licenses, annual support and maintenance for the library's Internet filtering software.	BAJAI INC	$ 44,713.34	2013.12.18
Cloud Hosting Services (virtual servers) to support the Ottawa Public Library's website infrastructure for an initial period of one year.	NOVA NETWORKS	$ 41,358.11	2013.12.19
Annual maintenance and support renewal for a software which offers online reservations of materials by the Ottawa Public Library.	ACTIVE NETWORK INC	$ 13,087.39	2013.12.19
To provide enriched content (basic public & core enhanced subscriptions) for the Ottawa Public Library.	SIRSIDYNIX	$ 33,152.43	2013.12.20

OTTAWA PUBLIC LIBRARY
Library Board Operating Budget
As at December 31, 2013

Expenditures	2013 Budget	2013 Actuals	Unspent	% Spent		2012 Actuals	% Spent
Conferences & Conventions	5,500	7,541	(2,041)	**137.1%**		20,501	120.6%
Business Expense	4,500	4,980	(480)	**110.7%**		5,206	260.3%
Car Mileage	500	512	(12)	**102.4%**		-	0.0%
Local Transportation	1,000	64	936	**6.4%**		164	18.3%
Freight/Courier	3,000	810	2,190	**27.0%**		1,894	54.1%
Professional Services	15,000	2,366	12,634	**15.8%**		26,033	0.0%
Receptions/luncheons	3,000	1,940	1,060	**64.7%**		2,943	42.0%
Memberships	1,000	1,750	(750)	**175.0%**		940	47.0%
Parking	1,600	522	1,078	**32.6%**		3,046	203.1%
Sundry	2,000	162	1,838	**8.1%**		988	39.5%
Miscellaneous Supplies	1,035	278	757	**26.9%**		86	86.0%
Total Expenditures	**38,135**	**20,925**	**17,210**	**54.9%**		**61,801**	**162.1%**

OTTAWA PUBLIC LIBRARY
Capital Report
As at December 31, 2013

	Capital Project Account	Approved Budget	Prior Year Expenditures	2013 Actuals	Total Spent	Commitments	Funds Available	% Spent
903626	Bookmobile Replacement 2011	250,000	7,498	0	7,498	237,871	4,631	98.1%
905766	General Repairs & maint 2011	250,000	47,304	32,640	79,944	25,363	144,693	42.1%
905767	Furniture and Equipment 2011	175,000	122,522	36,491	159,013	9,421	6,566	96.2%
905408	General Repairs & Maint 2010	225,000	201,391	29,505	230,896	4,283	(10,179)	104.5%
906359	General Repairs & Maint 2012	250,000	33,329	7,510	40,839	0	209,161	16.3%
906390	Furniture & Equipment 2012	175,000	48,658	80,387	129,045	3,043	42,912	75.5%
906394	Vehicle Replacement 2012	75,000	74,015	83	74,098	0	902	98.8%
907046	Furniture & Equipment 2013	160,000	0	0	0	0	160,000	0.0%
907047	General Repairs & Maint 2013	200,000	0	70,500	70,500	78,407	51,093	74.5%
907049	IT Library Comp/Equip 2013	300,000	0	112,062	112,062	3,811	184,127	38.6%
907051	IT/ILS Desktop Maint 2013	400,000	0	26,966	26,966	5,236	367,798	8.1%
*	**General Maintenance**	**2,460,000**	**534,718**	**396,142**	**930,860**	**367,435**	**1,161,705**	**52.8%**
904352	IT ILS Desktop Maintenance 2007	517,000	509,529	7,471	517,000	0	0	100.0%
905620	IT Library Comp & IT Equip 2010	250,000	218,464	21,469	239,933	0	10,067	96.0%
905768	IT Library Comp & IT Equip 2011	200,000	68,895	131,050	199,945	0	55	100.0%
905769	IT ILS/Desktop Maintenance 2011	200,000	106,866	26,206	133,072	25,267	41,661	79.2%
905770	IT Self Checkout Systems 2011	40,000	4,065	0	4,065	0	35,935	10.2%
905772	IT Web Based Lib. Serv. Maint. 2011	100,000	28,009	54,606	82,616	4,545	12,839	87.2%
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	22,144	4,654	26,798	0	123,202	17.9%
906391	IT Library Comp/Equip 2012	450,000	0	293,251	293,251	119,419	37,330	91.7%
906392	IT/ILS Desktop Maint 2012	250,000	0	3,918	3,918	0	246,082	1.6%
906393	IT Web Based Lib Serv Maint 2012	200,000	0	76,639	76,639	37,829	85,532	57.2%
*	**IT Maintenance**	**2,557,000**	**1,033,373**	**619,264**	**1,652,638**	**187,060**	**717,302**	**71.9%**
**	**Maintenance of City Assets**	**5,017,000**	**1,568,091**	**1,015,407**	**2,583,498**	**554,495**	**1,879,007**	**62.5%**

	Capital Project Account	Approved Budget	Prior Year Expenditures	2013 Actuals	Total Spent	Commitments	Funds Available	% Spent
903577	Replacement of Main Library 2008	800,000	777,303	1,760	779,063	0	20,937	97.4%
904359	Library Retrofits 2009	375,000	157,164	87,719	244,884	57,943	72,173	80.8%
904856	IT E-payment 2009	100,000	15,036	14,702	29,737	0	70,263	29.7%
905105	Replacement of Main Library 2009	200,000	81,119	0	81,119	31,295	87,586	56.2%
905623	Library Retrofits 2010	736,000	378,804	309,884	688,688	51,076	(3,764)	100.5%
905055	Innovation & Strateg Initiative 2011	25,000	13,042	0	13,042	19	11,939	52.2%
905771	Library Retrofits 2011	560,000	491,096	2,742	493,838	0	66,162	88.2%
905779	Signage 2011	50,000	2,565	35,417	37,983	0	12,017	76.0%
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	43,789	58,863	102,652	4,246	193,102	35.6%
906399	Smart Bins 2012	50,000	39,299	11,106	50,406	0	(406)	100.8%
906400	IT RFID 2012	1,735,000	1,419,521	266,341	1,685,862	47,456	1,682	99.9%
906401	Innovation & Strateg. Initiative 2012	200,000	63,090	0	63,090	23,893	113,017	43.5%
907056	IT RFID 2013	985,000	0	903,230	903,230	40,373	41,397	95.8%
907057	Library Retrofits 2013	700,000	0	510,899	510,899	19,976	169,125	75.8%
**Strategic Initiatives		32,816,000	3,670,811	2,202,664	5,873,475	276,277	26,666,248	18.7%
904628	West District Library 2009	10,000,000	653,187	3,522,066	4,175,252	4,269,859	1,554,889	84.5%
904630	Collections 2009	1,500,000	1,296,705	202,212	1,498,917	0	1,083	99.9%
904366	Collections 2011	1,102,000	0	0	0	0	1,102,000	0.0%
905631	Collections 2010	500,000	553	1,378	1,932	0	498,068	0.4%
906395	Collections 2012	1,000,000	0	0	0	0	1,000,000	0.0%
** Growth		14,102,000	1,950,445	3,725,656	5,676,101	4,269,859	4,156,040	70.5%
***Order Group Total		51,935,000	7,189,347	6,943,726	14,133,073	5,100,631	32,701,296	37.0%

OTTAWA PUBLIC LIBRARY
Trust Funds Report
As at December 31, 2013

Account	Invested With the City	Type	2013 Opening Balance	Expenditures To Date	Interest /Revenue Earned	Ending Balance	Principle	Available to Spend in 2013	Restrictions
840002	Barwyck Trust	invest principal	$ 2,232	$ -	$ -	$ 2,232	$ 2,032	$ 201	Large print books
840003	Cockburn Trust	invest principal	44,357	-	1,200	45,557	36,157	9,400	Large print books
840016	West Carleton	fundraising	51,751	10,846	24,496	65,400	-	65,400	Spending on West Carleton branches
840035	Ransom Trust	invest principal	10,133	-	-	10,133	10,078	55	Books
840036	Georgina Falls - Library	invest principal	62,122	-	1,200	63,322	61,809	1,513	Manotick Branch
840045	South Central Library	fundraising	122	-	-	122	-	122	Library material for SCDL
840046	OPL Board Fundraising	fundraising	-	-	14,604	14,604	-	14,604	Board Approval
840047	E. Armstrong collection	invest principal	25,226	-	-	25,226	22,031	3,195	Gloucester history books
840070	Kanata - Library	fundraising	6,331	-	-	6,331	-	6,331	Kanata
840110	George Joseph Cooper	fundraising	2,044	-	-	2,044	-	2,044	Library material
840135	OPL General Fundraising	fundraising	148,719	-	2,880	151,598.61	-	151,599	General Fundraising
840135	OPL Literacy	fundraising	73,249	43,826	46,420	75,843.07	-	75,843	Early Literacy/Gala fundraising
840140	Bursary Program OPL Employees	invest principal	52,610	750	1,200	53,060	50,000	3,060	
840145	FOPLA New Central Library Capital Trust	fundraising	20,500	-	-	20,500	-	20,500	
840210	OPLF Jan Harder Main Charity Lib Fund	fundraising	-		97,824	97,824	-	97,824	
			$ 499,396	$ 55,423	$189,824	$ 633,797		$333,368	

Invested With the Community Foundation

OPL Endowment	$ 385.00	General use
Vivien Bennet Memorial	$ 220.00	General use
OPL Fiction Fund	$ 704.00	Fiction collection development
OPL Non-fiction Fund	$ 4,308.00	Non Fiction collection development
Andrea Mein Memorial	$ 1,734.00	Children's Literary programs at Ruth E. Dickinson
William H. and Nora Hickson Kelly Fund	$ 500.00	General use
	$ 7,851.00	