

**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-2018-0304

**SUBJECT: Fourth Quarter 2017 Financial Statements**

**OBJET: Rapport financier du 4<sup>e</sup> trimestre 2017**

#### **REPORT RECOMMENDATION**

**That the Ottawa Public Library Board receive the 2017 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<sup>e</sup> trimestre de 2017.**

#### **BACKGROUND**

At the end of the 2017 fiscal year, Ottawa Public Library (OPL) has closed its financial books with a \$61,001 surplus. Total expenditures for the year were under-spent by 0.1 percent or \$42,779, and were offset by 2017 revenues, which exceeded the target by 0.5 percent or \$18,222. The reported surplus is 0.1 percent less than the total Library planned budget for 2017. The surplus amount will be returned to OPL reserve fund according to municipal financial practices.

## DISCUSSION

### Financial Reports:

#### 1. Appendix A: Operating Financial Report Q4 ending December 31, 2017:

- a. At year end, total revenues are in surplus by 0.5 percent or \$18,222. The implementation of an online booking system for meeting rooms, increased donations, and other miscellaneous revenues all combined to exceed planned revenues for 2017 despite known revenue challenges involving parking garage lease revenue paybacks.
- b. Total expenditures were under budget by 0.1 percent or \$42,779. Under-spent compensation and purchased services offset higher than planned expenditures in fleet, facilities, and library materials costs.
- c. The Provincial Library Operating Grant Pay Equity and First Nations Salary Supplement Grant (PLOG) of \$1,380,328 was received in November 2017. The amount received is consistent with 2016.
- d. At year end, OPL had a surplus of 0.1 percent or \$61,001. The 2017 surplus is the result of good revenue performance and controlled spending throughout the fiscal period.

#### 2. Appendix B: Report on External Funds, Q4, ending December 31, 2017:

Total revenue raised and spent from external sources in 2017 was \$619,754. Outstanding contributions made by the Friends of the Ottawa Public Library Association (FOPLA) made possible numerous branch furniture and shelving improvements. Funds from the Ottawa Community Foundation (OCF) were used to further expand the library collection and fund public-facing programs for children, older adults, and newcomers to Canada. Grants from the Provincial Ministry of Tourism, Culture and Sport expanded OPL technologies, and will support a new WiFi lending program to be implemented in 2018.

#### 3. Appendix C: Report on Contract Expenditures, October 1 to December 31, 2017:

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, 2017 to December 31, 2017. 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, with the exception of those capital projects approved as part of the annual budget process. Capital expenditures in Appendix C encompass purchases required for the Central Library Development Project, RFID implementation, licensing and maintenance, and security contracts.

**4. Appendix D: Board Budget Report, Q4, ending December 31, 2017:**

At year end, the Board's operating budget was 37.8% spent. This is primarily the result of under spending in professional services, and conferences and conventions categories.

**5. Appendix E: Capital Financial Report, Q4, ending December 31, 2017:**

Attached in Appendix E is the report on capital account status as of the end of 2017. A legacy capital account for land acquisition remains open from activities initiated in 2009. This account does not contain actual funding, and further approval by Ottawa City Council will be required in order to exercise the authority. Removing the value of that legacy account results in an overall available capital total of \$4,828,602 across 13 open accounts.

**6. Appendix F: Trust Funds Report, Q4, ending December 31, 2017**

The City of Ottawa, on behalf of OPL, holds 13 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, OPL receives funds from the Ottawa Community Foundation (OCF) which is an external agency managing a series of community trust funds. Some of these funds have specific instructions to support expenditure categories such as library materials, furniture, or age-specific programming. The 2017 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 – 2017 Q4 Operating Financial Report
2. Appendix B – 2017 Q4 External Funds Report
3. Appendix C – 2017 Q4 Contract Expenditures Report
4. Appendix D – 2017 Q4 Board Budget Report
5. Appendix E – 2017 Q4 Capital Report
6. Appendix F – 2017 Q4 Trust Funds Report