

REPORT TO COUNTY COUNCIL

2024 Oxford County Library Business Plan and Budget

To: Warden and Members of County Council

From: Director of Corporate Services

RECOMMENDATION

1. That the recommendation of the Oxford County Library Board dated October 23, 2023, that County Council approve the draft 2024 Oxford County Library Business Plan and Budget to provide a levy of \$5,223,742, as adjusted for minor interdepartmental charges, be referred to 2024 budget deliberations.

REPORT HIGHLIGHTS

- 2024 Library levy \$5.2 million – \$935,543 increase over 2023 (as adjusted for minor interdepartmental charges)
- Four goals and objectives to enrich our membership engagement strategy; and evaluate the Library’s technology service delivery model and facilities’ spaces
- Staffing impact – 2.3 FTE temporary positions for Ox on the Run pilot project; and an increase of 1.2 FTE in part-time hours to support an increase in Village Branch hours

IMPLEMENTATION POINTS

Upon County Council’s approval, a County of Oxford by-law will be enacted to authorize the Oxford County Library Board special levy to be applied to the Towns of Tillsonburg and Ingersoll and the Townships of Blandford-Blenheim, East-Zorra Tavistock, Norwich, South-West Oxford and Zorra.

Financial Impact

The draft budget proposes a \$935,543 increase (as adjusted for minor interdepartmental charges) in the levy to be collected from property owners within the Area Municipalities that participate in the County library system. This represents a 21.8% increase over 2023 levy.

Communications

The County’s Communications and Strategic Engagement Team will facilitate the 2024 Business Plan and Budget communications strategy, including the Library Business Plan and Budget.

The communications plan includes public engagement through *SpeakUp Oxford!*. The 2024 Business Plan and Budget as released on November 8, 2023 and presentations delivered to Council at each of the budget meetings will be posted on the *SpeakUp Oxford!* site. The site also provides dates and times for each of the Council meetings with links to recordings if individuals are not able to attend the live meetings.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the *2023-2026 Strategic Plan* on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council’s vision of “Working together for a healthy, vibrant, and sustainable future.” These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendation in this report supports the following strategic goals.

Strategic Plan Pillars and Goals

PILLAR 1	PILLAR 2	PILLAR 3
		
Promoting community vitality	Enhancing environmental sustainability	Fostering progressive government
Goal 1.3 – Community health, safety and well-being		Goal 3.1 – Continuous improvement and results-driven solutions Goal 3.2 – Collaborate with our partners and communities Goal 3.3 – Attract, retain and engage staff Goal 3.4 – Financial sustainability

See: [Oxford County 2023-2026 Strategic Plan](#)

DISCUSSION

Background

At the regular meeting of the Board held September 19, 2023, the Board considered the draft 2024 Library Business Plan and passed the following resolution:

“That the Library Board approve the 2024 Business Plan goals and objectives as set forth in Report No. 2023-28.”

On the basis of the approved 2024 Library Business Plan Goals and Objectives, the Board was presented with a draft 2024 budget at their October 23, 2023 meeting. In accordance with the *Public Libraries Act, R.S.O. 1990*, the Board adopted the following resolution:

“That the Board receive Report 2023-35 entitled “2024 Library Budget” and recommends that County Council approve the 2024 Oxford County Library Business Plan and budget to provide a levy of \$5,231,559, subject to possible minor adjustments to interdepartmental charges.”

Subsequent to the Board’s October 23, 2023 resolution, further review and updates to the County draft budget resulted in a reduction to the Library’s interdepartmental charges by \$7,817, effectively reducing the proposed Library levy to \$5,223,742.

Comments

The content of the 2024 Library Business Plan is incorporated in the County of Oxford 2024 Draft Business Plan and Budget information package which is to be presented to Council on November 15 and November 29, and further deliberated on December 13, 2023. The information package can also be found on the County’s website at [SpeakUp Oxford!](#)

In summary, the 2024 draft budget proposes a levy requirement of \$5,223,742 (\$4,288,199 – 2023) for libraries, representing an increase of \$935,543 or 21.8% over 2023 (5.6% increase - 2023). The total budget (gross expenditures) is \$6,088,694 (\$5,209,910 – 2023) which is a \$870,576 increase from 2023 or 16.7%.

The proposed budget increase of \$870,576 is largely the result of increase in salaries and benefits of \$367,066; interdepartmental charges - \$64,747 for IT and \$71,669 related to facilities; and a decrease in contribution from the Library General reserve in the amount of \$280,456, being the 2022 projected surplus. Further details are illustrated in the Business Plan under Budget Impact Details.

In addition to the four new initiatives the Board approved for 2024, the 2023 Business Plan included a new initiative - Ox on the Run Mobile Outreach which was approved as a two year pilot project. The 2024 budget for this initiative is \$185,899 and is proposed to be funded from the Library General reserve, resulting in no impact on the levy for its second year in service.

2024 Capital Projects

The capital budget of \$554,000 for 2024 is a \$480,600 increase over the 2023 capital budget. It is important to note that accounting treatment for physical book inventory has changed in 2024 and is now included in capital to better manage the growth related portion eligible for development charge funding. In 2023 the collections material budget was \$216,000, included under operating.

The 2024 capital project budget is comprised of:

- \$181,000 for Ingersoll branch representing the County's share to replace the elevator; carpeting in the children's area; and covert to LED lighting;
- \$91,000 for the Thamesford branch to replace roof top units, asphalt replacement, and signage;
- \$51,000 for the Tillsonburg Branch for exterior wall sealants, building signage and building condition improvements;
- \$2,000 to replace the building signage in Plattsville;
- \$10,000 for public use computer technologies;
- \$209,000 for annual investment of collection materials; and
- \$10,000 for replacing book drops and some staff chairs.

Funding sources for the 2024 capital budget includes \$229,000 from taxation; \$289,000 from reserves and \$36,000 from Zorra Township's share of the Thamesford branch capital projects.

2023 Forecast Surplus

The 2023 year-end library operating budget forecast is positioned for a balanced budget as of the date of this report – refer to Table 1 for details.

Table 1 – 2023 Forecast Year-End Surplus

Revenue/Expense	Explanation	Amount
General revenues	Additional user fees and charges and investment income	\$15,600
Salaries and benefits	Less than 1% variance P/T optional OMERS deficit	(9,700)
Materials	Surplus in computer software, advertising/promotion, insurance, books – hardcopy and electronic offset by deficits in memberships, travel, tools/equipment and supplies	54,000
Contract Services	Miscellaneous expenses	4,000
Facilities	Tillsonburg \$27,000, Thamesford \$4,000, Norwich \$13,000, Ingersoll \$7,000, Otterville \$3,000	(54,000)
Fleet	Library delivery van	5,200
Development Charge	Exemption funding	(15,000)
Special Project	Healthy Community Initiatives – Community Garden – Town of Tillsonburg Partnership – fully grant funded	-
Special Project	Ox on the Run – rents \$11,500, fleet \$19,000 savings – offset by reduction in reserve transfer	-
Other	Miscellaneous savings and deficits	(100)
Forecast Year-End Variance		\$0

Reserves

Considering the 2023 year-end forecast is a balanced budget, this forecast does not include an allocation of a surplus to, or deficit from, the Library General (stabilization) Reserve. However, in the 2023 Budget there was a provision to bring the 2022 projected surplus of \$280,456 into revenue in order to mitigate the levy increase while the community continued to recover from the financial impacts of the pandemic exacerbated by new pressures from inflation. This approach reduced the 2023 levy by 6.9% and has the effect of presenting a 6.9% funding gap in the 2024 budget, in the absence of a prior year surplus.

Over the past three years, the Library generated surpluses during periods of restricted service in response to the pandemic that had generously contributed to the Library General (stabilization) Reserve, however with funding for Ox on the Run; the strategic plan process; security services for the Tillsonburg Branch; and the 2022 surplus (\$280,456) brought into revenue in the 2023

budget to reduce the levy increase, collectively reduced the 2023 levy and the General Reserve by \$525,642.

The 2024 contribution from the General Reserve remains elevated with the second year of Ox on the Run; and Technology and Facilities Plans, representing another \$305,899 reduction in the reserve, in the absence of a projected 2023 surplus which is the sole source of revenue for this stabilization reserve. As a result the 2024 year end Library General Reserve balance is projected to be \$305,309, which is within a reasonable range of the target balance of \$262,000, designed to fund any unforeseen or emergent issues that may arise.

The Library Facilities Reserve remains sufficient to meet our mid-term asset management plans and potential contingencies.

Full-time Equivalent Analysis

Through the 2023-2026 Strategic Plan process, the consultants conducted a community and stakeholder engagement process that sought independent and objective views on how our libraries serve the community. One of the recommendations arising from those consultations was to consider enhancing hours of operation for Village Branches. In response, the Board approved an increase in Village Branch hours in the draft 2024 budget resulting in a provision of \$73,376, \$71,776 of which relates to 1.2 FTEs representing part-time staff to fulfill the increased hours.

The Library 2024 Business Plan and Budget also contains a full-time equivalent (FTE) proposal for 2.3 temporary FTEs in support of the Ox on the Run Mobile pilot program, representing an increase of \$40,675 due to those positions starting in the second quarter of 2023.

Debt Repayment

There are no debt obligation requirements in the 2024 budget and none proposed in the 10-year capital plan at this time.

CONCLUSIONS

The 2024 draft Oxford County Library Business Plan and Budget aligns with the Board's draft 2023-2026 Strategic Plan, expended for approval in November 2023.

SIGNATURES

Departmental approval:

Original signed by

Lynn S. Buchner, CPA, CGA
Director of Corporate Services

Approved for submission:

Original signed by

Benjamin R. Addley
Chief Administrative Officer