

To: Warden and Members of County Council

From: Director of Corporate Services

2023 Oxford County Library Business Plan and Budget

RECOMMENDATION

1. That the recommendation of the Oxford County Library Board dated October 17, 2022, that County Council approve the draft 2023 Oxford County Library Business Plan and Budget to provide a levy of \$4,288,199, subject to possible minor adjustments to interdepartmental charges, be referred to 2023 budget deliberations.

REPORT HIGHLIGHTS

- 2023 Library levy \$4.3 million – \$227,196 increase over 2022
- Business Plan includes one new initiative – a two-year pilot for year-round mobile library service bringing collections and programs to underserved and vulnerable communities and neighbourhoods
- Staffing impact – 2.1 FTE increase

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 \$227,196 increase in the levy to be collected from property owners within the Area Municipalities that participate in the County library system. This represents a 5.6% increase over 2022 levy.

Communications

The County's Communications and Strategic Engagement Team will facilitate the 2023 Business Plan and Budget communications strategy, including the Library Business Plan and Budget.

The communications plan includes public engagement through [SpeakUp Oxford!](#). The 2023 Business Plan and Budget as released on November 23, 2022 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.

Strategic Plan (2020-2022)

					
WORKS WELL TOGETHER	WELL CONNECTED	SHAPES THE FUTURE	INFORMS & ENGAGES	PERFORMS & DELIVERS	POSITIVE IMPACT
		3.iii.			

DISCUSSION

Background

At its regular meeting held September 19, 2022, the Oxford County Library Board considered their 2023 Library Business Plan Goals and Objectives and passed the following resolution:

“That the Oxford County Library Board approve the 2023 Library Business Plan goals and objectives as set forth in Report No. 2022-21.”

On the basis of the approved 2023 Library Business Plan Goals and Objectives, the Board was presented with a draft 2023 budget at their October 17, 2022 meeting under Report No. 2022-28. In accordance with the *Public Libraries Act, R.S.O. 1990*, the Board adopted the following resolution:

“That the Board recommends that County Council approve the 2023 Oxford County Library Business Plan and budget to provide a levy of \$4,288,199, subject to possible minor adjustments to interdepartmental charges.”

Comments

The content of the 2023 Library Business Plan is incorporated in the County of Oxford 2023 Draft Business Plan and Budget information package which is to be presented to Council on November 30 and December 5, and further deliberated on January 11, 2023. The information package can also be found on the County's website at [SpeakUp Oxford!](#).

In summary, the 2023 draft budget proposes a levy requirement of \$4,288,199 (\$4,061,003 – 2022) for libraries, representing an increase of \$227,196 or 5.6% over 2022 (1.7% increase - 2022). The total budget (gross expenditures) is \$5,218,118 (\$5,023,143 – 2022) which is a \$194,975 increase from 2022 or 3.9%.

The proposed budget increase of \$227,196 is largely the result of increases in interdepartmental charges - \$55,703 for IT and \$159,651 related to facilities; and a decrease in contribution from the Library General reserve in 2023 the amount of \$27,890, being the difference between the

2021 surplus allocation of \$308,346 and the 2022 surplus of \$280,456. Further details are illustrated in the Business Plan under Budget Impact Details.

There is one new initiative proposed in the 2023 Draft Business Plan and Budget to extend the Ox on the Run Mobile Outreach Unit from a 4-month summer outreach service, to a year-round outreach programming and library services concentrating on underserved communities and vulnerable neighbourhoods. The for 2023 budget increase for this initiative is \$185,949 and is proposed to be funded from the library general reserve, resulting in no impact on the levy for its first year in service.

2023 Capital Projects

The capital budget of \$73,400 for 2023 is a reduction from \$263,490 from 2022. The projects include \$5,250 for Ingersoll branch facility assessment; \$24,150 to replace signage at the Norwich branch; computer equipment in the amount of \$20,000 for Chromebooks and iPads for public use, Maker space and assistive technologies; and, \$24,000 in equipment and a used vehicle to support the new initiative – Mobile Ox on the Run.

Funding sources for the 2023 capital budget include \$53,400 from reserves and \$20,000 from taxation.

2022 Forecast Surplus

The 2022 year-end library operating budget forecast is positioned for a surplus of \$280,456 as of the date of this report, predominantly due to branch closures and changes to service delivery in response to the pandemic – refer to Table 1 for details.

Table 1 – 2022 Forecast Year-End Surplus

Revenue/Expense	Explanation	Amount
Salaries & benefits	Reduction due to branch closures and changes to service delivery in response to the pandemic and vacancies due to retirements	\$293,905
Purchased services	Search firm – recruitment for CEO/Chief Librarian	(11,300)
Other	Miscellaneous expenses net over budget	(2,149)
COVID expenses	COVID expenses of \$9,890 have been funded from the Safe Restart Grant	-
Forecast Year-End Surplus		\$280,456

Reserves

In accordance with the 6.2 Reserve Policy, the draft 2023 budget proposes to allocate the 2022 projected surplus to the Library General (stabilization) reserve and apply it to the 2023 budget in order to minimize the levy increase as our community continues to recover from the financial impacts of the pandemic exacerbated by new pressures from inflation. This approach reduces the 2023 levy by 6.9% and maintains healthy reserve balances.

Full-time Equivalent Analysis

The Library 2023 Business Plan and Budget report also contains a full-time equivalent (FTE) proposal for 2.3 temporary FTEs in support of the Mobile Year-round Ox on the Run program and a decrease of 0.2 FTE for various part-time positions – both proposals are explained in detail in the 2023 Business Plan and Budget, including budget impacts totaling \$111,078.

Debt Repayment

Future years' debt requirement projections are incorporated with current debt obligations in the repayment schedule covering years 2023 to 2024 as set out in Table 2 below. Considering there are no plans at present to increase debt in the ten-year planning horizon, all current debt will be fully retired by the end of 2023 – refer to Table 2.

Table 2 – Debt Repayment Obligations

Library Branch	2023	2024
Norwich	\$-	\$-
Tillsonburg	84,730	-
Annual Debt Repayment	\$84,730	\$-

At the time the Ingersoll Town Centre debt obligation was retired in 2017, the Board decided to allocate annual debt repayment obligations as they retire to the Library Facilities Reserve in an effort to move closer to the Asset Management Plan's recommended annual contribution of \$250,000. With the retirement of the Norwich Library's debt obligation occurring in mid-year 2022, a portion of the \$27,289 decrease in the 2023 debt obligation has been contributed to the Facilities reserve, increasing the annual contribution from \$100,000 to \$117,000, which is remains \$133,000 less than the desired annual contribution target.

Conclusions

The 2023 draft Oxford County Library Business Plan and Budget proposes a strong foundation from which service improvement opportunities can be further explored and considered as we continue to strive to *adapt our programs, services and facilities to reflect evolving community needs*¹.

¹ County of Oxford Strategic Plan – 1.ii. – Enhance the quality of life for all of our citizens, May 27, 2015

SIGNATURES

Departmental Approval:

Original signed by

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

Approved for submission:

Original signed by

Benjamin R. Addley
Interim Chief Administrative Officer