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ADMINISTRATION OFFICE HOURS: Monday - Thursday 8:30 a.m. - 4:30 p.m., Friday 8:30 a.m. - 4:00 p.m.

January 23, 2014

**RE: Essex County Library 2014 Budget**

Dear Warden Bain and Essex County Councillors:

On behalf of the Essex County Library Board, I am pleased to provide you with their proposed 2014 budget. The Board has approved it and therefore recommends it for your approval.

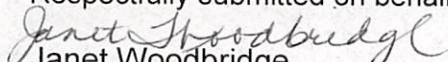
In the summer and fall of 2014 three new libraries will be opening in the towns of Lakeshore, LaSalle and Woodslee. Additional staffing hours have been added to the budget to allow for more programs and supervision of these larger facilities. Last year the Board approved a painting schedule for the libraries. Three branches have been repainted and in 2014 work will begin on updating the Tecumseh branch. This work will continue into 2015 and will be funded from the current operating budget.

The County responsibility for Library services has increased by 2.1% or \$95,980. Increases in staffing costs and technology combined with a decline in revenues as the library transitions to collections that do not incur fines, contribute to the increase. Wherever possible one time funding costs such as a two month overlap of the Chief Librarian's position and the staffing costs associated with three library moves, has been funded from current reserve funds. The three major capital projects are also funded from the reserves, thus reducing the costs to the taxpayer.

In 2014 new digital collections will be added to the services that the Essex County residents can enjoy. HOOPLA, streamed movies and downloadable music albums and audio books, are now available. Press Display allows residents to read online newspapers from around the world in over 60 languages. The demand from our residents for digital resources continues to grow. In 2013 over 73,000 e-books were downloaded by our customers to portable e-readers.

2014 will also see a greater emphasis on attracting new customers to our libraries. School and community partnerships will be expanded as part of an ongoing marketing plan to promote all that the Essex County Library has to offer to the residents of Essex County.

Respectfully submitted on behalf of the Board,

  
Janet Woodbridge

Chief Librarian, Secretary/ Treasurer Essex County Library Board  
Enclosure

# LIBRARY SERVICES

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## Description

Following strategic planning sessions in 2013, the Essex County Library has a new mission statement that clearly details our role in the community. "Essex County Library welcomes you to a world of discovery, creativity and lifelong learning through accessible resources, programs and innovative services." This world may be in the branches but more than ever it is the digital world that is supporting the creative and learning opportunities for the residents of the County. No other organization in the County provides its residents with free access to the latest recreational and informational resources. The strength of the Library is in its collections and the staff that links those collections to the end user. In 2013, more e-book collections and e-comic books were added allowing for many more resources available to the residents of the County. Additional digital collections will continue to be added as they become available.

The Essex County Library has fourteen branch libraries providing collections, programs and services to the residents of the County, with one branch located in each of Amherstburg, LaSalle, Leamington and Tecumseh, three branches in both Essex and Kingsville, four in Lakeshore, and an administrative office. Access to library's growing virtual resources, including e-books, e-Audio Books, downloadable music and DVDs, online encyclopaedias, reference and magazine databases is through the website: <http://www.essexcountylibrary.ca>

## Staffing Chart

Staffing	2011	2012	2013	2014	2011 Actual (\$000)	2012 Actual (000)	2013 Budget (000)	2013 Actual (000)	2014 Budget (000)
<b>Full-time</b>	15	16	16	16	938	960	992	992	1,015
<b>Part-time</b>	92	92	92	92	1,678	1,715	1,751	1,734	1,767
<b>Total</b>	107	108	108	108	2,616	2,675	2,743	2,726	2,782

## Prior Year Performance

The Library operations are projected to be within budget for 2013. Variances from budget in various accounts are highlighted on the subsequent page. As approved by the Board, surplus funds are to be contributed to the WSIB Reserve and the capital reserve. The Province's base funding contribution of \$273,615 represented 6% of the Library budget.

## **LIBRARY SERVICES**

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### **Prior Year Performance (cont'd)**

<b><u>Favourable/ (Unfavourable)</u></b>	<b><u>Function</u></b>	<b><u>Variance Explanation</u></b>
\$17,000	Wages	Savings due to layoffs at the Woodslee Library and delay in opening of LaSalle
(\$8,000)	Health Insurance	Additional staff taking benefits
(\$11,000)	Fees and Fines	Increase in e-resources, which do not accumulate fines, decreases revenues
\$41,000	Library Materials	Underspent due to price changes, cancelation of some underused databases and timing of shipments
\$14,100	Pay Equity Grant	Provincial grant is applied for annually
\$21,200	Provincial Grants	Additional provincial grants
\$250,000	Capital Projects for LaSalle, Woodslee, Lakeshore	Delays in building projects to 2014

### **Proposed Budget – Current Year**

The proposed 2014 budget has been developed and reviewed being mindful of the financial constraints in general yet also realizing that there are increasing pressures on libraries to maintain a provincial standard in buildings, staffing and collections. Due to delays in the LaSalle Library Building project coupled with new library building projects in Lakeshore and Woodslee, three new branch libraries will open in 2014. The capital costs for furnishings and equipment for these three branches will be \$505,000.

In order to reduce the costs to the taxpayer for 2014, capital funding of \$505,000 for these three libraries will come from the library capital reserve. This will significantly deplete the capital reserve for any future municipal library building projects. Within the 2014 budget, there is a \$25,000 contribution to the capital reserve in order to build the reserve for future projects.

# **LIBRARY SERVICES**

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## **Proposed Budget – Current Year (cont'd)**

There are additional estimated staffing costs of \$32,000 to move these three libraries. In order to reduce the impact on the county tax levy these one-time expenditures will come from the economic contingency reserve.

In 2013, a painting schedule was established for all fourteen library branches in an effort to ensure that the branches are well maintained. In 2014 – 2015 the Tecumseh branch will start to see a reorganization and painting. The estimated cost for the painting is \$3,000. Additional improvements will be funded in the 2015 budget.

The Library Board's 2014 proposed budget reflects adjusted base increases including wages, pensions and health benefits. It allows for a two month overlap of the Chief Librarian's position. Funding for this overlap will come from the enhanced service and economic contingency reserve.

The budget reflects the Library Board's wishes to increase the collection budget by 1%. For the past few years the library has benefited from a higher Canadian dollar. This is no longer the case and the purchasing power is reduced. Residents are requesting more audio visual materials in addition to the increasing demand for more electronic resources. Fewer print items are bought in order to meet the demand for digital materials. Long term, this is unsustainable. In 2014, two new electronic collections will be added to the growing list of resources. Downloadable DVDs and daily newspapers from around the world will be available through the library's website.

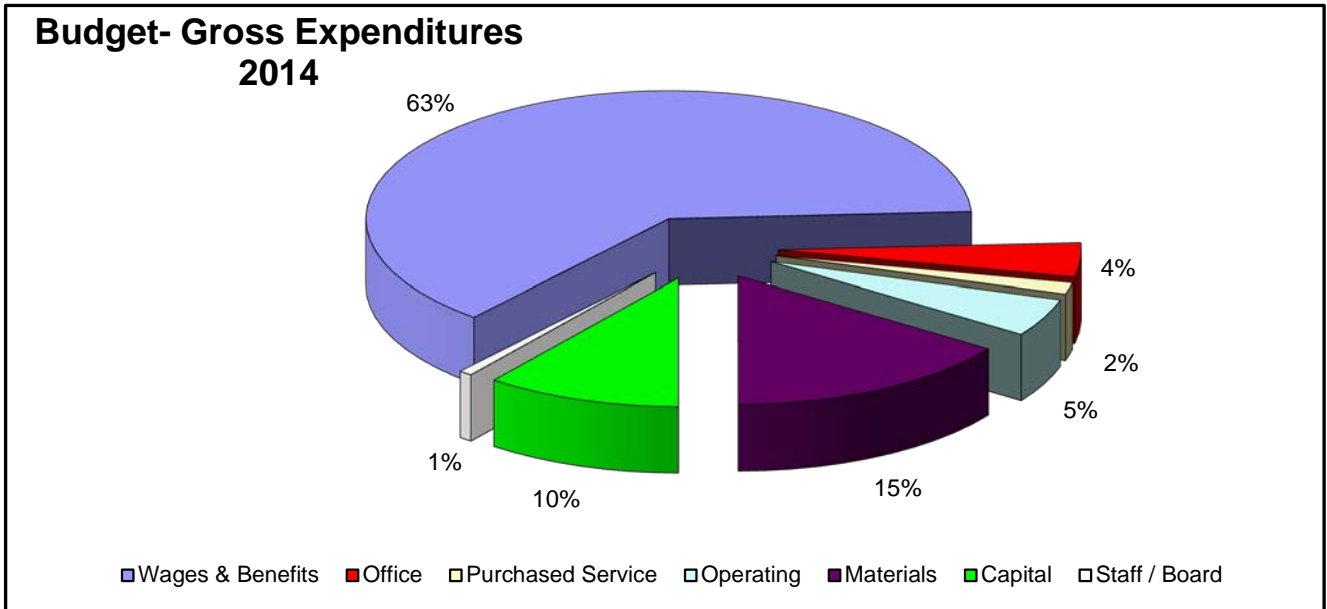
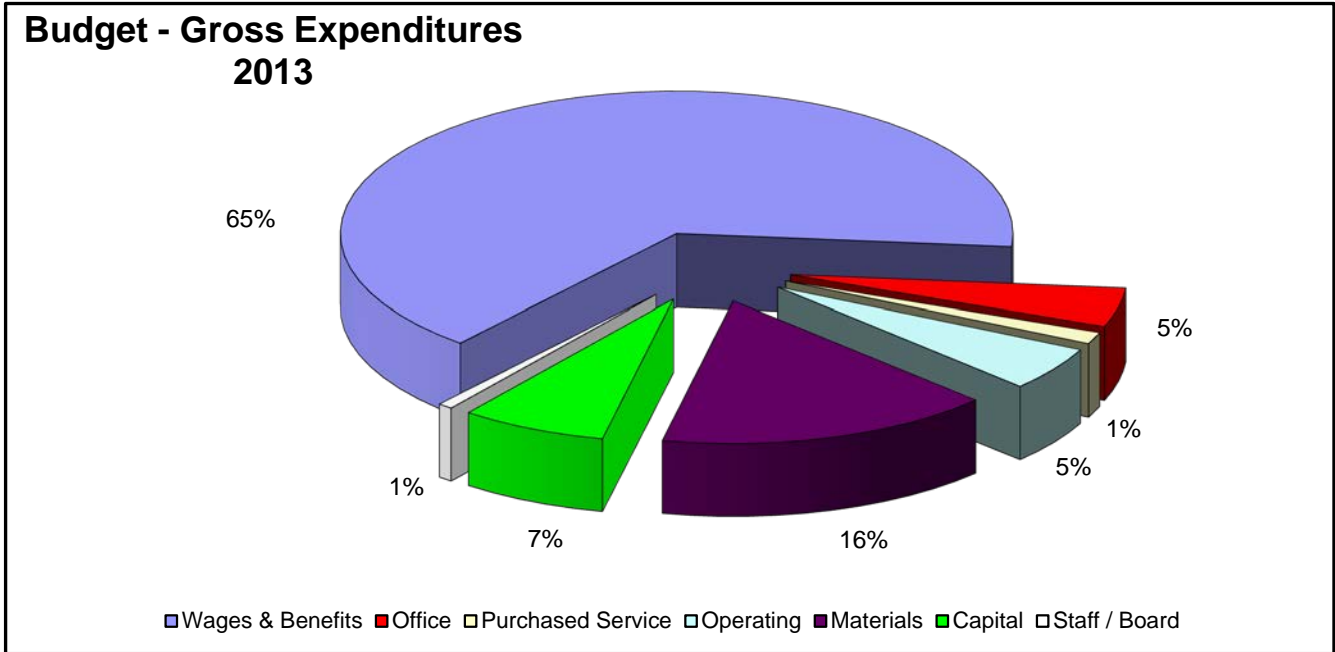
The 2014 County Responsibility for Library Services has increased by \$95,980 or 2.1 %. The Library has seen a significant loss in revenue as the collections transition to online, electronic resources which do not generate fines. Wages and benefits account for \$66,100 of the 2014 increase. In addition to budgeted increases related to increased hosting and technology costs, library materials, salary grid moves, additional staffing hours for the Lakeshore Library and the continuing reduction in fees and fines revenue account for the year over year increase.

## **2013 & 2014 Statistics**

Pie graphs of the 2013 and 2014 budgets, broken down by major category are presented on the following page. As is evident from the graphs, salaries, wages and benefits comprise just over two thirds of the Library budget. Materials (includes tangible, virtual and electronic) account for 18.7 % in 2013 and 18.4 % in 2014.

# LIBRARY SERVICES

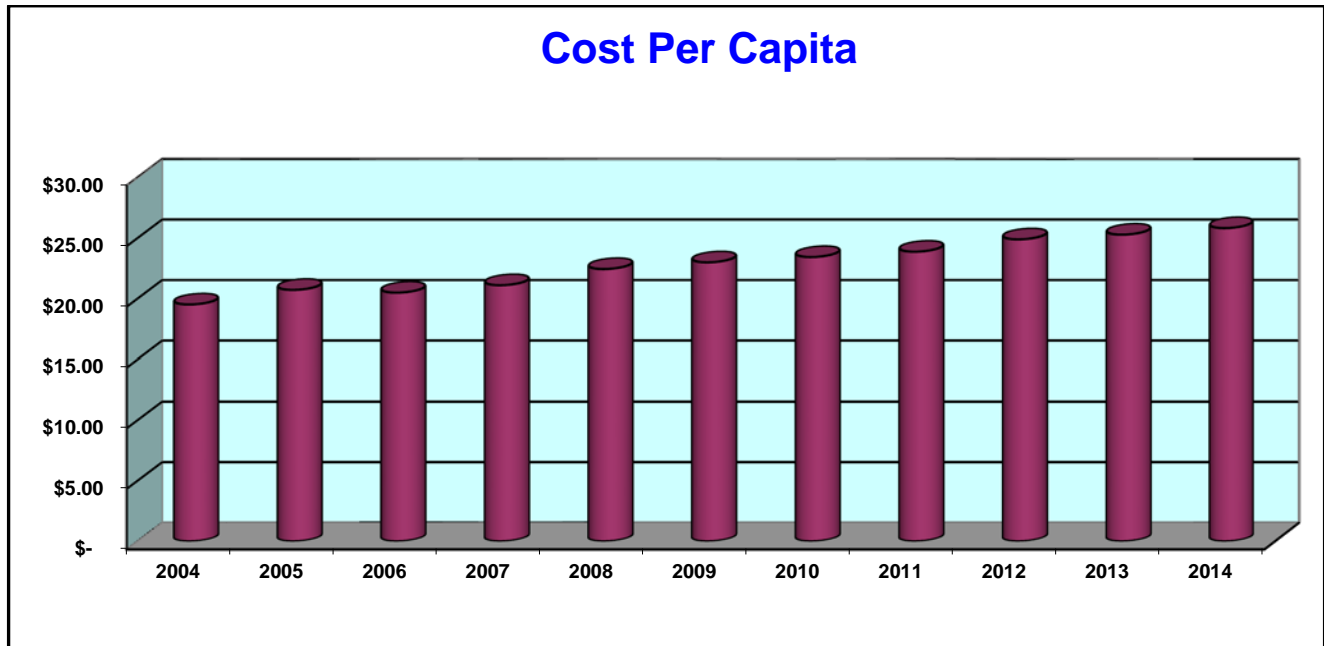
## Proposed Budget – 2013 & 2014 Statistics (cont'd)



# LIBRARY SERVICES

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The proposed County Responsibility for Library Services in 2014 amounts to \$25.83 per Capita compared to \$25.29 in 2013.



<b>Library Services</b>	<b>2013 BUDGET</b> (restated)	<b>2013 ACTUAL</b> (unaudited)	<b>2014 BUDGET</b>
<b><u>Expenditures</u></b>			
Salaries and Wages	2,742,800	2,725,000	2,782,690
Benefits	649,600	656,830	675,810
Board Expense	16,200	15,500	16,100
Staff Expense	20,300	22,650	22,800
Library Materials	839,130	798,200	847,500
Office Expense	229,410	233,100	234,400
Purchased Services	67,970	77,230	79,740
Occupancy Expense	114,080	114,090	115,650
Operating Expense	145,300	148,600	144,400
Capital Expenditures	365,000	133,500	571,000
	<b>5,189,790</b>	<b>4,924,700</b>	<b>5,490,090</b>
<b><u>Recoveries</u></b>			
Ontario Grants	273,620	273,620	273,620
Other Grants	0	35,310	0
Fees, Service Charges	107,000	111,360	97,000
	<b>380,620</b>	<b>420,290</b>	<b>370,620</b>
<b>Net Operations</b>	<b>4,809,170</b>	<b>4,504,410</b>	<b>5,119,470</b>
<b><u>Contributions to (from) Reserves</u></b>			
Contribution to WSIB Reserve	0	10,000	0
Contribution to Vehicle Reserve	10,000	10,000	10,000
Contribution from Enhanced Service Reserve	(20,000)	(12,000)	(23,000)
Contribution to (from) Capital Reserve	(275,000)	11,760	(480,000)
Contribution from Contingency Reserve	(30,000)	-30,000	(36,320)
<b>Net Contributions to (from) Reserves</b>	<b>(315,000)</b>	<b>(10,240)</b>	<b>(529,320)</b>
<b>County Responsibility</b>	<b>4,494,170</b>	<b>4,494,170</b>	<b>4,590,150</b>

<b>Library Services</b>		<b>2013 BUDGET</b>	<b>2013 ACTUAL</b>	<b>2014 BUDGET</b>
		(restated)	(unaudited)	
<b><u>Salaries and Wages</u></b>				
111011101	Library Services	2,668,700	2,651,000	2,708,940
111011112	Janitorial & Mtce.	74,100	74,000	73,750
		<b>2,742,800</b>	<b>2,725,000</b>	<b>2,782,690</b>
<b><u>Benefits</u></b>				
111011201	Employment Insurance	64,260	63,900	66,040
111011202	Canada Pension	108,100	107,300	111,490
111011203	O.M.E.R.S.	235,470	234,000	237,740
111011204	Employer Health Tax	53,490	53,500	54,270
111011205	Health Insurance	127,500	135,850	142,000
111011206	Group & LTD Insurance	51,000	54,280	54,300
111011208	WSIB	9,780	8,000	9,970
		<b>649,600</b>	<b>656,830</b>	<b>675,810</b>
<b><u>Board Expense</u></b>				
111012101	Indemnities	10,000	10,000	10,000
111012302	Mileage	2,100	2,100	2,100
111012304	Travel	100	0	0
111012305	Conferences	3,000	2,500	3,000
111012398	Other - Strategic Planning / Search Committee	1,000	900	1,000
		<b>16,200</b>	<b>15,500</b>	<b>16,100</b>
<b><u>Staff Expense</u></b>				
111013001	Mileage	6,500	7,100	7,000
111013002	Training	11,000	11,500	12,000
111013004	Assoc. Meetings	1,500	2,000	2,000
111013005	Membership Fees	550	550	550
111013098	Other	750	1,500	1,250
		<b>20,300</b>	<b>22,650</b>	<b>22,800</b>
<b><u>Library Materials</u></b>				
111013860	Books - Tangible	483,830	435,000	452,000
111013868	Books - Virtual	180,000	160,000	180,000
111013861	Electronic Resources	25,000	18,000	18,000
111013862	Periodicals	24,000	30,000	25,500
111013870	Periodicals - Virtual	7,700	8,000	15,900
111013863	Audio Visual Materials - Tangible	80,000	110,000	100,000
111013869	Audio Visual Materials - Virtual	35,000	34,000	52,500
111013866	Bindery	2,500	2,200	2,500
111013867	Express and Postage	1,100	1,000	1,100
		<b>839,130</b>	<b>798,200</b>	<b>847,500</b>
<b><u>Office Expenses</u></b>				
111013101	Telephone - Voice	6,000	4,200	6,000
111013102	Postage	2,000	2,600	2,000
111013103	Office Supplies	5,680	5,600	5,500
111013110	Printing	11,500	11,500	11,500
111013114	Copier Lease/Maintenance	8,600	11,000	9,000
111013118	Communication / Connectivity	177,430	180,000	183,200
111013119	Cataloguing Supplies	18,000	18,000	17,000
111013198	Miscellaneous	200	200	200
		<b>229,410</b>	<b>233,100</b>	<b>234,400</b>
<b><u>Operating Expense</u></b>				
111013611	Delivery Van Maintenance & Fuel	11,500	11,000	11,000
111013612	Repairs & Maintenance	27,000	27,000	18,000
111013613	Janitorial & Mtce. Supplies	4,500	4,500	4,000
111013614	Advertising	12,000	10,000	12,000
111013615	Computer Systems Operation	82,300	88,100	91,400
111013616	Prof. Program Services/Supplies	8,000	8,000	8,000
		<b>145,300</b>	<b>148,600</b>	<b>144,400</b>



<b>Library Services</b>	<b>2013 BUDGET</b>	<b>2013 ACTUAL</b>	<b>2014 BUDGET</b>
	(restated)	(unaudited)	
<b><u>Purchased Services</u></b>			
111013301 Legal & Consulting	9,000	19,000	10,000
111013302 Audit Fees	5,500	4,330	4,410
111013305 Collection Services	3,400	3,300	2,500
111013307 Janitorial & Mtce. Contracts	900	1,100	1,050
111013381 Electronic Data Hosting Services	41,000	41,000	53,000
111013380 Payroll Service	8,170	8,500	8,780
	<b>67,970</b>	<b>77,230</b>	<b>79,740</b>
<b><u>Occupancy Expense</u></b>			
111013401 Insurance	15,380	15,390	16,650
111013412 Utilities-Gas	33,500	33,500	33,800
111013413 Utilities-Hydro	65,200	65,200	65,200
	<b>114,080</b>	<b>114,090</b>	<b>115,650</b>
<b><u>Capital Expenditures</u></b>			
111013801 Furnishings & Equipment	15,000	15,000	15,000
111013807 Computer Equipment/Software	50,000	57,000	51,000
111013809 Capital - Woodslee Branch Capital	75,000	0	130,000
111013814 Capital - LaSalle Library	150,000	60,000	150,000
111013815 Capital - Lakeshore Library	75,000	1,500	225,000
	<b>365,000</b>	<b>133,500</b>	<b>571,000</b>
<b>TOTAL - Library Expense</b>	<b>5,189,790</b>	<b>4,924,700</b>	<b>5,490,090</b>
<b><u>Recoveries</u></b>			
111016201 Provincial Grant	273,620	273,620	273,620
111016382 Service Ontario Grant	0	21,200	0
111016305 Provincial Grant-Pay Equity	0	14,110	0
111016503 Municipal Recoveries - Town of Kingsville	2,500	2,500	2,500
111016607 Copier Fees	7,500	12,000	9,500
111016608 Fees and Fines	86,000	75,500	71,000
111016698 Other	5,000	6,300	6,000
111016660 Data / Fax	3,000	2,500	2,500
111016731 Book Sales	500	530	500
111016798 Miscellaneous	2,500	12,030	5,000
<b>TOTAL - Library Recoveries</b>	<b>380,620</b>	<b>420,290</b>	<b>370,620</b>
<b>Net Operations</b>	<b>4,809,170</b>	<b>4,504,410</b>	<b>5,119,470</b>
<b><u>Contributions To (From) Reserves</u></b>			
111016813 Contribution to WSIB reserve	0	10,000	0
111016865 Contribution from Enhanced Service Reserve	(20,000)	(12,000)	(23,000)
111014121 Contribution to Vehicle Reserve - Amortization	10,000	10,000	10,000
111014102 Contrib. to Capital Reserve - Amortization / Surplus	25,000	73,260	25,000
111016811 Contribution from Capital Reserve	(300,000)	(61,500)	(505,000)
111016815 Contribution from Contingency Reserve	(30,000)	(30,000)	(36,320)
<b>Net Contribution to (from) Reserves</b>	<b>(315,000)</b>	<b>(10,240)</b>	<b>(529,320)</b>
<b>County Responsibility</b>	<b>4,494,170</b>	<b>4,494,170</b>	<b>4,590,150</b>