

# REPORT

## Oakville Public Library Board

**Meeting Date: June 20, 2024**

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**FROM:** Oakville Public Library

**DATE:** June 11, 2024

**SUBJECT:** 2025 Budget Drivers – June 20, 2024

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### **RECOMMENDATION:**

That the 2025 Budget Drivers report be received for feedback.

### **KEY FACTS:**

The following are key points for consideration with respect to this report:

- OPL has been advised via the “Draft Mayoral Direction to Staff regarding the preparation of a balanced 2025 Annual Budget report” (Appendix B) that OPL is to prepare its budget submission to the town based on overall increase not to exceed 5.5% (\$670,00) inclusive of growth-related impacts.
- Several drivers influencing the creation of the 2025 budget include inflation, collection budget pressures and staffing pressures related to population growth and the opening of the permanent Sixteen Mile Branch.
- The opening of Sixteen Mile, a 18,000+ sf. branch, will have a significant impact on the operating budget for 2025 that will only be fully realized in 2026. OPL is recommending 4 growth positions, outside of regular branch staff, to ensure OPL can continue to maintain service levels as Oakville’s population grows.
- OPL is proposing 7 capital projects for consideration by the OPL board.
- This report highlights the drivers impacting the development of the 2025 Budget. All drivers are provided to the board to prompt discussion and prioritization that guides OPL staff in the creation of the 2025 budget with will come to the board for review in September.

### **BACKGROUND:**

The first budget committee meeting is scheduled for June 17 and the mayor has provided his draft budget report (Appendix A) and direction (Appendix B) for staff in preparation of the 2025 budget. For 2025, the mayor has directed that staff prepare

an operating budget with spending levels predicated on an overall tax levy increase of up to 4.00% to accommodate priorities from the Council Strategic Plan and the use of Performance Based Program Based budgeting methodology to identify efficiencies.

The draft report also advises Oakville Public Library to prepare its budget submission to the town based on an overall increase not to exceed 5.5% inclusive of growth-related impacts.

Board feedback/direction provided based on the identified budget drivers below will be used to prioritize items within the 2025 budget and a full budget will come to the board for review and feedback in September with a goal of approving the OPL operating and capital budgets in October. Once approved by the OPL Board, OPL's 2025 operating and capital Budgets are submitted to the Budget Committee for consideration.

## **COMMENT/OPTIONS:**

### **Operating Budget**

The 2025 operating Budget for OPL is being drafted to address rapid population growth and its impact on service levels as well as ongoing collection budget pressures. Below are the key drivers impacting the development of the 2025 budget:

#### Personnel Costs

Personnel costs resulting from contract renewals, step/merit increases, and benefits are estimated at \$325,000 for 2025. OPL's and CUPE 5348 collection agreement expired December 31, 2023. The parties are actively in negotiations on a new contract which will impact this driver once ratified.

#### Operating Impacts from Capital

The new Sixteen Mile branch is scheduled to open in Q3 of 2025. This approx. 18,000 sf. facility will require a full staffing complement to deliver on the vast array of services being offered including 3 different creation spaces (Creation Zone, Tinker Lab and Audio/Video Cove). In addition, OPL has identified 4 growth positions to ensure OPL can continue to offer the services expected/needed by residents as the population grows. These positions are related to programming and outreach where OPL is seeing significant growth in demand as well as a new performance measures position to assist OPL in making better data-driven decisions.

The projected full year costs for Sixteen Mile are currently estimated at \$2,183,500 which includes a full branch staffing complement, 4 growth positions and collections. This budget is the ideal state that would allow OPL to operate Sixteen Mile including

a full activation of the 3 creation spaces and the ability meet programming and outreach demands.

The 2025 costs for Sixteen Mile will be limited as the branch is only expected to open in Q3 2025 with the remaining operating costs being realized in 2026. Using the current budget (above) and the current hiring plan, 2025 operating costs are estimated at \$1,364,257. With the current direction to stay within a 5.5% (\$670,000) increase (including the budget impacts listed here) decisions will need to be made about the hours and services available at the new branch.

#### Adjustment to Collections

In the June 15, 2023, Collection Development Update report, OPL asked for an additional \$100,000 to be added to the collections budget annually for the next 5 years. The requested \$100,000 was added to the 2024 budget. Another \$100,000 would continue to address issues such as increased costs related to digital collections, replacing aged collections (e.g. Children's books) and supporting the growth of the Library of Things and multilingual collections.

#### Operating Impacts for OPL.ca

For the past 3 years, OPL has requested \$30,000 as part of the capital budget to assist in ongoing development, improvement, and maintenance of OPL.ca as both OPL and the Town of Oakville lack the in-house technical expertise required for ongoing website maintenance and security enhancements. However, for 2025, the Town asked OPL to move this capital request into operating to better reflect the nature of the ongoing work it represents.

### **Capital Budget**

OPL has 7 capital project requests for board consideration in the 2025 Budget submission. Projects with board support will be developed into business cases and sent to the Town to be considered with the full town slate of proposed capital projects. Updated recommendations will be provided as part of the full 2025 budget report in September. Proposed 2025 capital projects are listed below in order of priority:

- Scheduling Software implementation – As part of the 2023 capital budget, \$30,000 was approved to have a consultant do a full review of OPL's scheduling practices and identify the key requirements for scheduling software. This work has been completed and OPL is ready to move forward with identifying and implementing a robust scheduling software for 2025. Current scheduling is done via excel templates and is extremely time consuming and prone to errors. The addition of scheduling software would streamline the workflow, automate tasks, and create much needed

consistency and across all branches and departments. The project is estimated at \$100,000.

- Parks, Recreation and Library Master Plan Recommendations– The draft Parks, Recreation and Library Master Plan recommends that OPL undertake one review (Service Delivery) and create five strategies (Collection Development, Technology, Inclusion, and Climate Action). This budget would be to fund the prioritized review/ strategies identified for 2025. The project is estimated at \$100,000.
- Traffic Pattern Tracking software: This project looks to add traffic tracking sensors to Sixteen Mile branch to improve tracking visitor counts and monitoring customer journeys. By harnessing real-time data, this project would allow OPL to optimize resource allocation, enhance customer service, and foster community engagement. Strategically, the project supports OPL’s goals of resiliency, service transformation, diversity and inclusion, staff planning, and climate action by providing insights for better decision-making and resource management. Sixteen Mile Branch is an excellent candidate to act as a pilot for this technology for both OPL and the Town. This project is estimated at \$135,000.
- Print Payment System – The current public printing software and payment equipment at OPL is outdated and beyond repair. The system, which hasn't been updated in over 10 years, only supports coin-based payments. With two machines (2 out of the 7 OPL branches) irreparable and the rest requiring staff intervention for every print job, the setup is unsustainable, creates a privacy issues, and causes frequent customer complaints. This project is estimated at \$50,000.
- Room Booking – OPL is seeing a growing demand for private bookable rooms. Currently, customers must book these spaces online 48 hours in advance, with staff manually reviewing and approving each application. This project would introduce a self-serve solution by installing tablets at meeting room doors to enable first-come, first-served reservations, streamlining the booking process, reducing staff time and resources spent on ad-hoc reservations, and improving customer satisfaction. This project is estimated at \$26,000.
- AI Assistant for OPL.ca implementation – In 2023, OPL started working with Sheridan College’s Center for AI on a custom FAQ AI service for OPL.ca. Sheridan has completed their work, and this project consists of the required work/equipment to test, install and implement the AI chat bot into OPL.ca. This project is estimated at \$25,000.
- eContent Platform Update – In 2019, the Library on the Go consortium disbanded and OPL moved from Overdrive Inc. to Bibliotheca’s Cloud Library

for an eBook platform. Features that were only available in Cloud Library in 2019 (such as resource sharing among other libraries) is now available via Overdrive (Libby). OPL would like to go to market and reevaluate its options for an eBook platform. This project is estimated at \$110,000).

### **Fees and Fines**

No changes are being recommended for fees and fines in 2025 as OPL fees continue to be competitive and in line with industry standards.

Room booking rates will be increased to reflect the rate of inflation.

The draft OPL 2025 Budget will come to the board for review at the September 19, 2024, Board meeting.

### **APPENDICES:**

Appendix A - Draft Mayoral Direction to Staff Regarding the Preparation of the 2025 Annual Budget

Appendix B - Draft Mayoral Direction to Staff regarding the preparation of a balanced 2025 Annual Budget

Prepared and submitted by:  
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