



P.O. Box 1749
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Item No. 4
Committee of the Whole
February 1, 2017

TO: Mayor Savage and Members of Halifax Regional Council
Original Signed

SUBMITTED BY: _____
Jacques Dubé, Chief Administrative Officer

DATE: January 23, 2017

SUBJECT: Proposed 2017/18 Multi-year Halifax Public Libraries Budget and Business Plan

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented in the Information Report of November 22, 2016, staff is required to present the 2017/18 draft Business Unit Budget and Business Plans to the Committee of the Whole for review and discussion prior to consideration by Regional Council.

LEGISLATIVE AUTHORITY

Halifax Charter, section 35 (1) The Chief Administrative Officer shall (b) ensure that an annual budget is prepared and submitted to the Council.

RECOMMENDATION

It is recommended that the Committee of the Whole direct staff to proceed to prepare the 2017/2018 Multi-year Halifax Public Libraries Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided by motion of Committee of the Whole for inclusion in the proposed HRM 17/18 Multi-year Budget and Business Plan documents.

BACKGROUND

As part of the design of the 2017/2018 Budget and Business Plan development process, the Committee of the Whole is reviewing each Business Unit's high level budget and proposed plans in advance of detailed HRM Budget and Business Plan preparation.

At the December 6, 2016 Committee of the Whole Regional Council considered and confirmed their Council Priority Outcomes and on December 14, 2016 provided fiscal direction for the 17/18 multi-year budget, directing staff to: "develop the 2017/18 Multi-year Budget and Business Plans in support of the fiscal direction and approved priorities."

DISCUSSION

Staff has prepared the proposed 17/18 Budget consistent with the preliminary fiscal direction received from Council on December 14, 2016 and aligned with Council Priorities as approved on December 6, 2016.

Following direction from the Committee of the Whole, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed HRM 2017/18 Multi-year Budget and Business Plan documents to be presented to Council, as per the process and schedule in the November 22, 2016 Information Report.

RISK CONSIDERATION

None are specifically associated with this report.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed budget for 2016-17. There are no immediate financial implications from these recommendations. The broader financial implications will be discussed and debated as the budget is developed in more detail.

COMMUNITY ENGAGEMENT

None are specifically associated with this report.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Committee of the Whole can choose to amend the Budget and Business Plan as proposed in the accompanying presentation through specific motion, and direct staff to proceed to prepare the Budget and Business Plan for inclusion in the proposed HRM Budget and Business Plan documents.

ATTACHMENTS

Halifax Public Libraries 2017 – 2018 Multi-year Budget and Business Plan Presentation

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Åsa Kachan, Halifax Public Libraries, 902.490.5868

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Report Approved by:

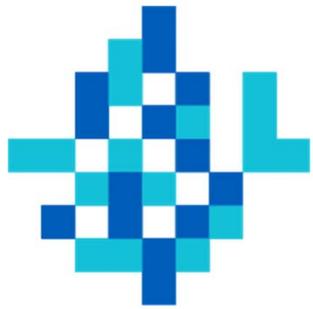
Åsa Kachan, Chief Librarian & CEO, Halifax Public Libraries, 902.490.5868

Original Signed

Report and Financial
Approval by:

Amanda Whitewood, Director of Finance & ICT/CFO, 902.490.6308

HALIFAX



Halifax Public
Libraries

Multi-Year Budget & Business Plan

Committee of the Whole

February 1, 2017

Business Unit Overview

Vision & Direction 2021

People Centric, Purpose Driven

Reflecting our community, we are a resource for everyone and a launch point for growth.

HALIFAX

Business Unit Overview

- ❑ Provides public library service to the residents of HRM under the direction of the Halifax Regional Library Board and in alignment with the Library's strategic vision.
 - ❑ 38,371 hours of library service in 2015/16
- ❑ A network of 14 branches and one community office, as well as borrow by mail and home delivery services, community based services and a range of electronic services and resources.
 - ❑ 3.5 million visits per year
- ❑ A collection of nearly 1 million items, including books, magazines and e-magazines, videos and audiobooks.
 - ❑ Addition of extensive online learning platform lynda.com
- ❑ Electronic resources make the library available to residents wherever they are 24/7.

Business Unit Overview

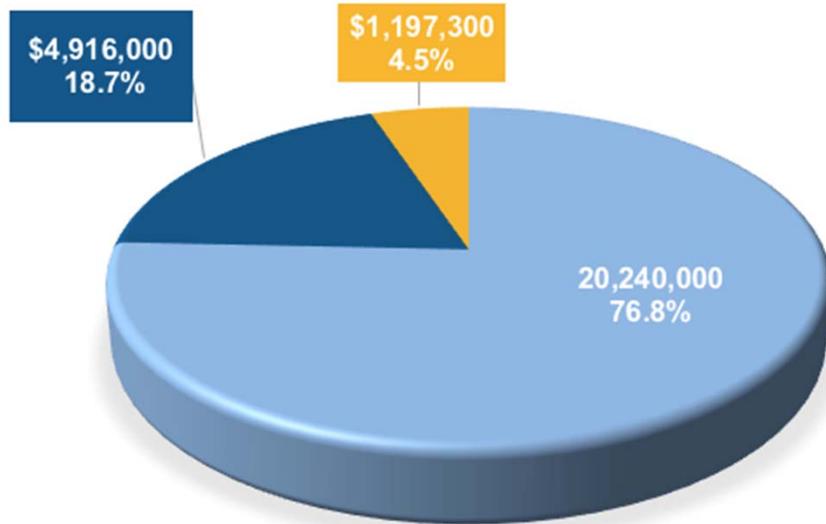
- ❑ Free programs for all ages to support reading development, social and cultural engagement, and overall wellbeing of residents.
 - ❑ Over 200,000 attendees in library programming per year
 - ❑ Programming includes: musical performances, lectures, puppet shows and author readings; income tax clinics, computer training, English language learning and literacy tutoring.

- ❑ In-house spaces designated for studying, reading, accessing technology, creativity, computer training, community meetings, socialization.
 - ❑ Connecting residents with one another and the world.
 - ❑ Halifax Public Libraries is Halifax's biggest provider of free computer and WiFi access.

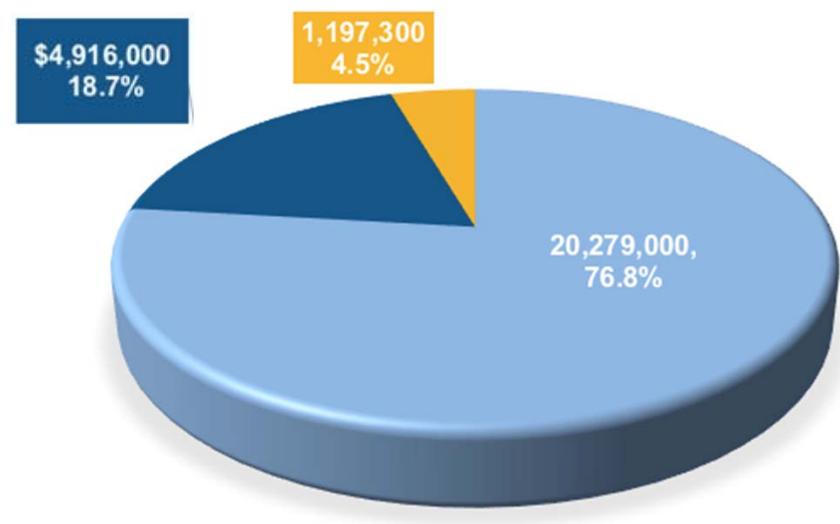
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Funding Sources

2017/18



2018/19



Halifax Regional Municipality

Province of NS

Library generated

Grant-funding - \$220,000

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Service Areas

Public Service

- ❑ Providing direct library service for all the Municipality's communities through the Library's 14 branches, as well as book distribution to those who cannot visit branches and community outreach beyond the current locations.
 - ❑ Building strong programs and partnerships to extend service to all residents, including award-winning service to the Musquodoboit Valley, and new programs to North Preston, East Preston and Cherrybrook.
 - ❑ Providing technology services to communities across Halifax, including technology training, free computer access, and online resources.
 - ❑ Reaching out to newcomers to Halifax through provision of language training and newcomer engagement and support.
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Service Areas

Central Library

- ❑ Welcomed millions of visitors since opening (12,000 alone during Nocturne 2016)
- ❑ Governor General's Medal in Architecture.
- ❑ LEED Gold Certification.
- ❑ Best Student Hang – The Coast
- ❑ Community gathering place where important conversations take place daily.



Service Areas

Collection Management

- ❑ Developing meaningful and high quality collections; ordering and receiving all materials.
- ❑ Managing the Library's electronic catalogue to make items searchable and easily accessible to the public.
- ❑ Building new collections into the Library, including e-resources and online learning tools.

Information Technology

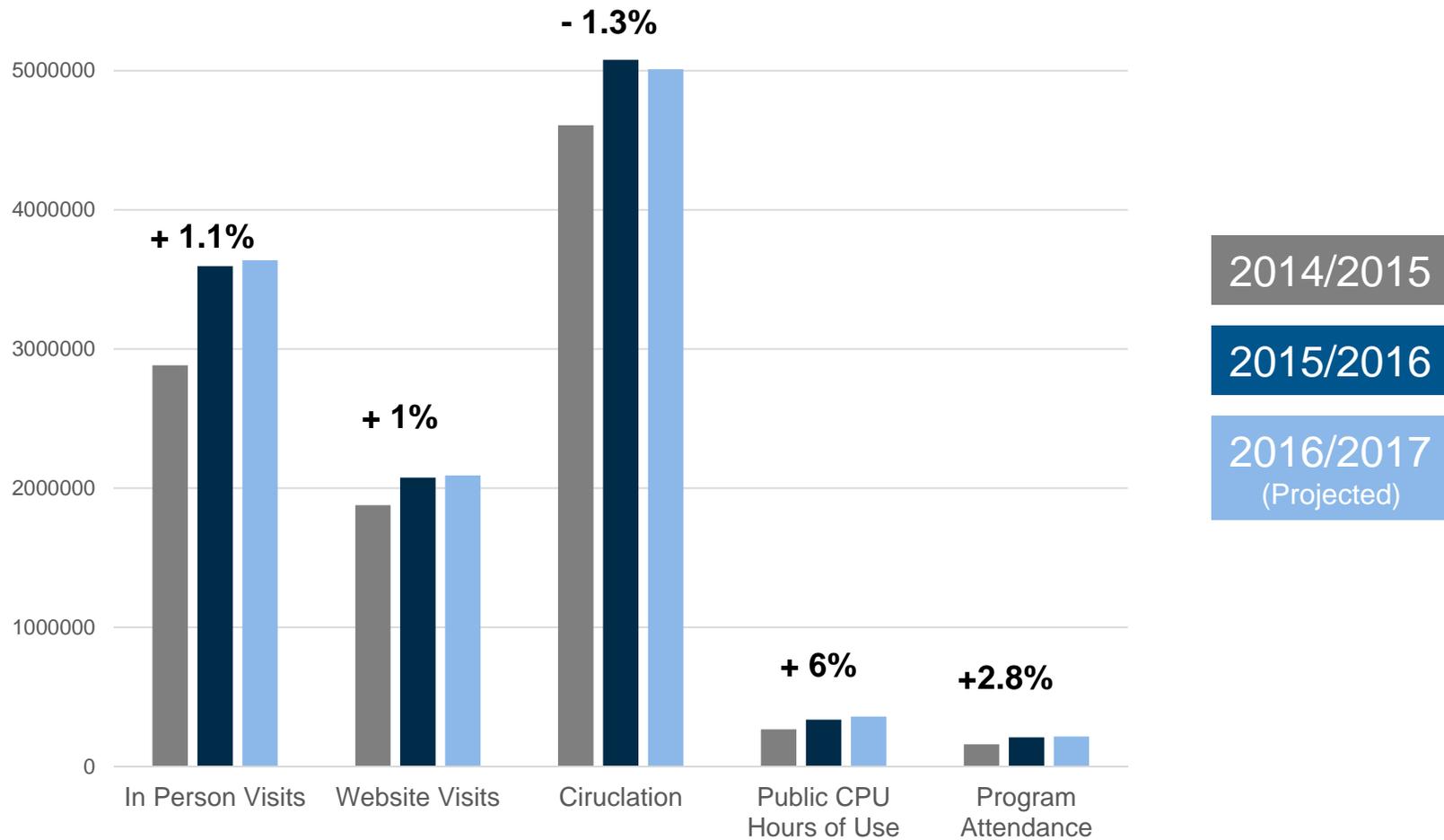
- ❑ Implementing and supporting over 500 public use computers as well as iPads, ChromeBooks, and system-wide staff computer hardware and software.
- ❑ Managing the information technology environment including a complex integrated library system.

Service Areas

Administrative Services

- ❑ Marketing & Communications
 - ❑ Developing marketing and communications strategies, building website content and promotional materials to communicate Library programs and activities.
- ❑ Fund Development & Strategic Partnerships
 - ❑ Building strong relationships with private donors and foundations to seek additional resources for library activities and development.
- ❑ Business Strategy
 - ❑ Supporting the Library Board, Chief Librarian/CEO, providing project planning, business process improvement, performance analysis and data research.
- ❑ Facilities & Finance
 - ❑ Managing financial planning, analysis and annual operating budget, accounting, reporting and oversight, procurement, grant management, revenue and charitable receipting and all aspects of facility planning and management.
- ❑ Human Resources/Payroll
 - ❑ Managing labour and employee relations, occupational health and safety, training and development, recruitment, selection, compensation and benefits.

3-Year Performance System-wide



HALIFAX

Update on 2016/17 Initiatives Strategic Plan

- ❑ 2017-2021 Strategic Plan complete and launched Jan 23, 2017



Initiative: Develop a 5 year strategic plan with community input

Associated Priority Outcome: Strategic Planning – Governance & Communication

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Update on 2016/17 Initiatives

Building Community Awareness



- Marketing & Communications Plan is almost complete. Developed in tandem with the strategic plan, the M&C plan supports the renewed vision expressed in the strategic plan.
- New brand and visual language has been developed to further articulate the energy and future potential of Library.

Initiative: To facilitate members of the community having a high level of awareness about library programs and services and their value, the Library will develop a marketing and communications strategy

Associated Priority Outcome: Strategic Planning – Governance & Communication

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Update on 2016/17 Initiatives

Initiative: Development of barrier-free access for persons with disabilities will continue by working with the community to create universally accessible programs, collections of materials, services, and facilities.

Associated Priority Outcome: Healthy Communities – Inclusive and Accessible Community

- Revised policies and procedures related to borrower services to remove barriers to service.
- Improving washroom access in a number of branches.
- Continued education of staff.

Initiative: To provide long-term support for immigrants and newcomers to Halifax, the Library will develop specialized regional programs and services and create awareness of those programs within the community.

Associated Priority Outcome: Economic Development – Welcoming Community and Youth Retention.

- Welcoming newcomers into our branches with open arms.
- Expansion of conversation groups and English language learning programs at Halifax Central, Halifax North and Captain William Spry branches.
- New summer and fall program offered in the Spryfield community.
- Art of Belonging workshops for newcomers offered at Central Library and Keshen Goodman branch.

The logo for Halifax Public Libraries, featuring the word "HALIFAX" in a bold, blue, sans-serif font. The letters are spaced out, and the "H" and "A" are slightly larger than the other letters.

Update on 2016/17 Initiatives

Initiative: To streamline the experience for individuals seeking employment with the Library and better measure recruitment success, the Library will implement an online staff recruitment tool.

Associated Priority Outcome: Our People – Top Talent

- ❑ HPL has joined with HRM – Human Resources to use their BrassRing online application system to improve staff recruitment.
- ❑ IBM has been contracted to customize the BrassRing system at HRM to meet HPL needs.
- ❑ Scheduled to go live March 2017.

Initiative: The updated Library's Master Facilities Plan will be reviewed in relation to Parks and Recreation's Community Master Plan to determine alignments, identify shared priority areas and potential collaboration.

Associated Priority Outcome: Healthy Communities – Recreation and Leisure

- ❑ Staff completing the Libraries Facilities Master Plan which will include an implementation plan, incorporation of lessons learned from Central Library and order of magnitude cost estimates to provide details regarding the 10 year capital budgeting process. Plan will be presented to HRM Council Spring 2017.
- ❑ Ongoing coordination with Parks and Recreation regarding the Community Master Plan.



Update on 2016/17 Initiatives

Initiative: To provide more collaborative community meeting spaces, a streamlined service desk, improved washrooms and additional space for technology, the Library will redesign and renovate the Musquodoboit Harbour Public Library.

Associated Priority Outcome: Healthy Communities – Recreation and Leisure.

The current library and recreation centre located adjacent to each other were both in need of repairs.

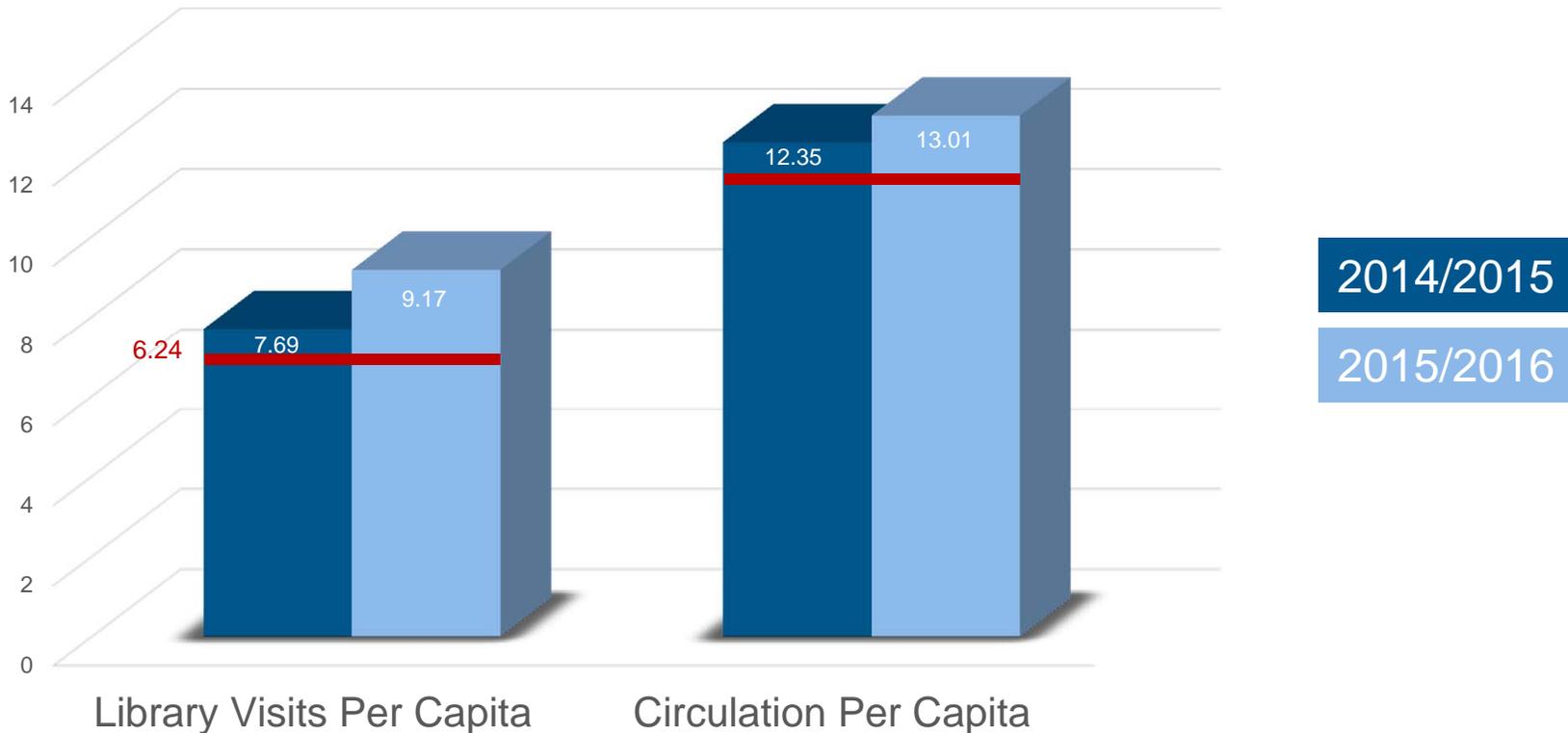
Halifax Public Libraries and HRM Parks and Recreation decided to remove the wall between the spaces and create a joint facility. Both have signed off on the concept design.

Community engagement session was held Jan 25, 2017

Construction will commence in June 2017.

Completion is expected fall 2017.

Comparing HPL to other Canadian Urban Libraries



CULC (Canadian Urban Libraries Council) Average

HALIFAX

Comparing HPL to other Canadian Urban Libraries



CULC (Canadian Urban Libraries Council) Average



2017/18 Initiatives

Governance & Decision Making

Initiative: To ensure service that is responsive to community needs Halifax Public Libraries will create a framework that supports **excellence in governance** and decision-making and create a culture that values **public and staff input** in priority-setting.

Associated Priority Outcome:
Governance & Engagement – Public Engagement

2017/18 Initiatives

Strategic Workforce Planning

<p>Initiative: Halifax Public Libraries will develop the Library's workforce to meet the current and future needs of the organization and the community.</p>	<p>Associated Priority Outcome: Governance & Engagement – fiscal responsibility. Service Delivery – Service to our People.</p>
<p>Initiative: The Library will develop a sustainable and financially viable staffing model.</p>	<p>Associated Priority Outcome: Governance & Engagement – fiscal responsibility Service Delivery – Service to our Business, People.</p>
<p>Initiative: The Library will develop staff capabilities through skill development, and develop strong recruitment and succession plans.</p>	<p>Associated Priority Outcome: Service Delivery – Service to our Business, People.</p>

2017/18 Initiatives

Social & Economic Impact

Initiative: Implement an innovation-focused approach to ongoing service and program improvement, based on **measured social and economic impact.**

Associated Priority Outcome:

Service Delivery – Innovation

Social Development – Social Infrastructure, Accessible Community

Livable Communities – Recreation and Leisure

Economic Development – Rural Economic Development, Focus on the Regional Centre; Arts, culture and heritage; Rural Economic Development.

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2017/18 Initiatives

Web Development

Initiative: Launch HPL's new **website** to enhance ability for the public to access online resources, and engage with the Library.

Associated Priority Outcome:
Service Delivery – Service to our People, Innovation

2017/18 Initiatives

Facilities Renewal

Initiative: Phase I Facilities **Master Plan** Implementation.

Associated Priority Outcome:

Service Delivery – Service to our People, Innovation.

Livable Communities – Recreation & Leisure.

Social Development – Social infrastructure, Accessible Community

Initiative: Begin **Bedford** Public Library expansion/relocation consultations.

Associated Priority Outcome:

Service Delivery – Service to our People, Innovation.

Livable Communities – Recreation & Leisure.

Social Development – Social infrastructure, Accessible Community

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Operating Budget Overview

Cost Element Groups	2015-16		2016-17		2017-18	2018-19
	Budget	Actual	Budget	Q3 Projection	Proposed	Proposed
Expenditures						
* Compensation and Benefits	18,131,000	17,810,000	19,259,500	18,911,300	19,729,800	19,794,300
* Office	364,500	403,000	434,000	463,400	421,300	425,100
* External Services	1,014,500	908,100	1,071,100	892,000	1,035,100	991,300
* Supplies	123,400	112,100	124,700	115,200	123,900	123,700
* Materials	1,000	1,000				
* Building Costs	1,315,100	1,323,100	1,283,000	1,351,300	1,421,900	1,438,900
* Equipment & Communications	433,500	656,000	368,200	400,000	348,800	343,200
* Vehicle Expense						
* Other Goods & Services	3,141,400	3,125,600	3,136,600	3,255,800	3,243,300	3,247,200
* Interdepartmental	5,000	14,000	5,000	15,000	30,000	30,000
* Debt Service						
* Other Fiscal	21,600	21,900	-800	-800	-800	-800
** Total	24,551,000	24,374,800	25,681,300	25,403,200	26,353,300	26,392,900
Revenues						
* Provincial Grant	(4,916,000)	(4,930,400)	(4,916,000)	(4,916,000)	(4,916,000)	(4,916,000)
* Area Rate Revenue						
* Fee Revenues	(515,200)	(789,500)	(1,040,300)	(901,000)	(977,300)	(977,300)
* Other Revenue	(271,300)	(38,300)	(285,000)	(146,200)	(220,000)	(220,000)
** Total	(5,702,500)	(5,758,200)	(6,241,300)	(5,963,200)	(6,113,300)	(6,113,300)
Net Surplus/Deficit	18,848,500	18,616,600	19,440,000	19,440,000	20,240,000	20,279,600

Service Area Budget Overview

Net Library Expenses by Service Area	15/16		16/17		17/18	18/19
	Budget	Actual	Budget	Q3 Projection	Proposed Budget	Proposed Budget
Branches / Public Services	18,135,700	16,925,100	18,310,700	17,465,600	18,962,500	18,993,100
Information Technology and Collection Management	4,334,600	5,015,500	4,954,700	4,997,400	5,105,500	5,166,200
Administrative Services	1,294,200	1,606,400	1,090,600	1,893,000	1,088,000*	1,036,300
Provincial Grant	(4,916,000)	(4,930,400)	(4,916,000)	(4,916,000)	(4,916,000)	(4,916,000)
Business Unit Total	18,848,500	18,616,600	19,440,000	19,440,000	20,240,000	20,279,600

* Vacancy management previously within the administrative budget has been applied to all departments as of 2017/18

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Staff Counts (FTEs)

Service Area	2015/2016	2016/2017	2017/2018	2018/2019
Branches / Public Services	191.94	190.76	191.8	191.8
Spring Garden Rd/ Central Library	98.7	88.1	86.5	86.5
Information Technology and Collection Management	31.6	38.1	38.4	38.4
Administrative Services	15.6	16.6	17.6	17.6
Grant Funded	0	0	3.7	3.7
Operations Support Total	337.84	333.56	338.0	338.0



Over 800 Volunteers

Adult and teen (and canine) volunteers support English language learning, teen and youth, homework help, newcomers programming, etc.

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Business Unit Capital Budget Implications

Capital Project Name	17/18 18/19 Capital Budget	OCC in 16/17 (Annualized)	OCC in 17/18 (Prorated)	OCC in 18/19 (Prorated)	Total 2 Year Operating Impact	Outcome Supported / Description of New Cost
Phase I – Facilities Master Plan Implementation CB000077	\$500,000	\$0	\$0	\$0	\$0	Livable Communities Social Development 1. Building Condition Assessments 2. Site Options 3. Consultant Services 4. Scope development 5. Cost Estimates 6. Community Engagement
Library Facilities' Upgrades CBX01165	\$750,000	\$0	\$0	\$0	\$0	Livable Communities Social Development State of good repair across various locations. 1. Mech/Elect upgrades 2. Exterior improvements 3. Interior fitup 4. Consultant Services 5. Signage
Total	\$1,250,000	\$0	\$0	\$0	\$0	



Summary of 2 Year Budget Changes

	Proposed 2017/18 Budget	Proposed 2018/19 Budget
Starting Budget 2016-17	\$19,440,000	\$19,440,000
Total Changes Included	<u>\$800,000</u>	<u>\$839,600</u>
Proposed Budget	\$20,240,000	\$20,279,600

Changes Included in Proposed Budget

Proposed Change	Proposed 17/18 \$ Impact	Projected 18/19 \$ Impact	2 Year Cumulative	Impact on Service Delivery and/or Council Priority
Reduction in Revenues	\$128,000	\$128,000	\$256,000	
Compensation Increases	\$470,300	\$534,800	\$1,005,100	
Building cost increases	\$138,900	\$155,900	\$294,800	
Library Materials & Other Goods and Services increases	\$106,600	\$110,600	\$217,200	
Budget efficiencies	-\$43,800	-\$89,700	-\$133,500	
Total impact of changes	\$800,000	\$839,600	\$1,639,600	

Operating Options Over Budget

Option Description	17/18 Amount	17/18 Avg Bill Impact	18/19 Amount	18/19 Avg Bill Impact	2 Year Cumulative	Strategic Alignment (Priority Outcome)
Upgrades to the Library Collection	\$500,000	\$1.55	\$500,000	\$1.55	\$1,000,000	Social Development –Social Infrastructure Service Delivery - Service to our people Healthy, Liveable Communities – Recreation & Leisure
Public Technology Upgrades	\$300,000	\$0.93	\$300,000	\$0.93	\$600,000	Economic Development – Rural Economic Development Social Development –Social Infrastructure Service Delivery - Service to our people Healthy, Liveable Communities – Recreation & Leisure
Total	\$800,000	\$2.48	\$800,000	\$2.48	\$1,600,000	



Questions and Discussion



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