HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 6.1
Budget Committee
February 2, 2024

TO: Chair and Members of Budget Committee (Standing Committee of the Whole on Budget)

SUBMITTED BY:

Original Signed

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Cathie O'Toole, Chief Administrative Officer

DATE: February 2, 2024

SUBJECT: **Proposed 2024/25 Halifax Public Libraries Budget and Business Plan**

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented to Regional Council on October 3,2023, staff are required to present the draft 2024/25 Business Unit Budget and Business Plans to the Budget Committee 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

That the Budget Committee direct the Chief Administrative Officer to incorporate the Halifax Public Libraries proposed 2024/25 Budget and Business Plan, as set out and discussed in the accompanying plan and supporting presentation, into the Draft 2024/25 Operating Budget.

BACKGROUND

On January 12, 2021, Regional Council adopted a Strategic Planning Framework, establishing priority outcomes for their term, and directed staff to develop plans to advance these outcomes.

As part of the design of the 2024/25 Budget and Business Plan development process, the Budget Committee is reviewing each business unit's budget and proposed plans, in advance of completing detailed HRM Budget and Business Plan preparation.

This recommendation does not include the addition/removal of any proposed Budget Adjustment List options.

DISCUSSION

Staff has prepared the proposed 2024/25 Halifax Public Libraries Budget and Business Plan consistent with the 2021- 2025 Strategic Priorities Plan approved on December 1, 2020, as well as budget outlook provided on November 28, 2023.

Following direction from the Budget Committee, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed 2024/25 HRM Budget and Business Plan documents to be presented to Regional Council's Budget Committee, as per the process and schedule approved on October 3, 2023.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed 2024/25 Budget. There are no immediate financial implications from this recommendation. The broader financial implications will be discussed and debated as the budget is developed in more detail.

RISK CONSIDERATION

Although there is no immediate risk associated with this report, there may be risks associated with individual decisions during the budget debate that could favour short-term results over longer-term strategic outcomes. Individual decisions made during budget debate will, however, be considered for both short- and long-term impacts to levels of service, asset condition, and cost.

In addition, the administration seeks to reduce these risks in three ways: by providing Regional Council with several fiscal options to assist in the achievement of longer-term strategic outcomes, by assessing both corporate and capital project risk, and by providing the opportunity to draw Regional Council's attention to project or program related risks when reports are presented for consideration.

Enterprise risks are reviewed as part of the strategic planning process and mitigating initiatives incorporated into business planning activities to reduce or eliminate the impact and likelihood of the risk occurring.

COMMUNITY ENGAGEMENT

The 2024/25 budget process seeks to solicit public comment by inviting members of the public to provide feedback prior to each business unit budget and business plan presentation.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

Budget Committee could choose to amend the Budget and Business Plan as proposed in the supporting presentation through specific motion and direct the Chief Administrative Officer to prepare the Budget and Business Plan for inclusion in the proposed 2024/25 HRM Budget and Business Plan documents.

ATTACHMENTS

Attachment 1 – 2024/25 Halifax Public Libraries Proposed Budget and Business Plan
Attachment 2 – 2024/25 Halifax Public Libraries Proposed Budget and Business Plan Presentation
Attachment 3 – Halifax Public Libraries Collection Investment Staff Report approved by Halifax Regional Council December 12, 2023

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A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Mairead Barry, Director, Strategy, Halifax Public Libraries, 902.490.5898

Financial Approval by: Jerry Blackwood, CFO, Executive Director of Finance & Asset Management

Report Approved by: Asa Kachan, Chief Librarian & CEO, Halifax Public Libraries

HALIFAX PUBLIC LIBRARIES

2024/25 BUDGET AND BUSINESS PLAN

MISSION REFLECTING OUR COMMUNITY, WE ARE A RESOURCE FOR EVERYONE AND A LAUNCH POINT FOR GROWTH.

READING THE BUDGET AND BUSINESS PLAN

Council and Administrative Priorities are represented within the *Budget and Business Plan* using the legend below. Strategic initiatives and deliverables supporting *HalifACT* are denoted. Estimated Completion (EST) applies to deliverables carried over from previous business plans and is the estimated date of completion. Target (T) applies to new deliverables and is the original target completion date. For more information on HalifACT initiatives visit: *https://www.halifax.ca/sites/default/files/documents/city-hall/regional-council/220121cow05i.pdf*

Council Priorities	
💲	Prosperous Economy
👥	Communities
🏢	Integrated Mobility
🌱	Environment

Administrative Priorities	
👥	Responsible Administration
👥	Our People
⭐	Service Excellence

HalifACT *Acting on Climate Together* Strategic initiatives or deliverables supporting HalifACT

OVERVIEW

Halifax Public Libraries (the Library) engages our communities and the people who live in them – encouraging participation, facilitating connections, and providing solutions in an ever-changing world. Halifax Public Libraries provides equitable and open access to services to all residents of Halifax Regional Municipality (the municipality). Under the direction of the Halifax Regional Library Board, the Library provides learning, social, and engagement opportunities through a network of 14 branches, two community offices, a strong online presence, community engagement, borrow by mail, and home delivery services. Halifax Public Libraries exists to support collective growth in our community.

Halifax Public Libraries supports Regional Council and Administrative priorities through community building, offering equitable access to services, and supporting the economic growth of our community. Details on how the Library supports Regional Council priorities can be found in the Library's Strategic Plan and the municipality's Strategic Priorities Plan.

ORGANIZATION CHART

FULL TIME EQUIVALENT COUNTS

Full Time Equivalent (FTE) Change Details	
Approved 2023/24 FTEs:	**333**
Total Changes	-
Total Budgeted 2024/25 FTEs	**333**

Includes full, part-time, and permanent positions.

Some opening balances have been restated to be consistent with how an FTE is counted.

2023/24 FTE adjusted to include 4 FTE approved in 2022/23 Library budget to enhance rural and home library service.

STRATEGIC INITIATIVES

Initiative	Description	Priority & Outcome
Community-Focused Service Delivery	Halifax Public Libraries has adopted a Community-Focused Service Delivery strategy to meet various customer needs and will include building literacy, community leadership, and civic engagement.	Involved Communities
Social and Economic Impact	The Library will continue to implement an innovation-focused approach to ongoing service and program improvements, based on measured social and economic impact.	Inclusive Communities
Building Literacy	The Library will undertake initiatives to improve language literacy with a focus on youth and newcomers.	Involved Communities
Community Leadership	The Library will model excellence in community engagement, leveraging community partnership for public good.	Involved Communities
Civic Engagement	The Library will encourage and provide opportunities for people to contribute to their communities and engage with issues that are important to them.	Involved Communities
Sustainable & Resilient Communities	The Library will work to help build sustainable and resilient communities.	Climate Resilience / HalifACT Acting on Climate Together

Initiative	Description	Priority & Outcome
Digital Inclusion	The Library will work to build digital inclusion and ensure that the public has access to the tools, resources, and information they need.	Inclusive Communities
Public Safety	The Library will demonstrate and champion approaches to public safety that prioritize accessibile public spaces and social inclusion, reduce isolation, that build community, and respond to emergencies.	Safe Communities
Social Isolation	Understanding the negative health impacts of social isolation, the Library will build services and programs that engage community members with one another and reduce social isolation.	Inclusive Communities
Library Infrastructure	With major population growth and new neighborhood development within the municipality, the Library will identify locations for expansion of service.	Involved Communities

BUDGET

SERVICE AREA BUDGET OVERVIEW

Service Area	2022/23 Actual	2023/24 Budget	2023/24 Projections	2024/25 Budget	2024/25 Δ 23/24 Budget	Δ %
Administrative Services	(2,700,424)	(2,642,800)	(2,642,800)	(2,475,000)	167,800	(6.3)
Information Technology/Collections	7,367,483	7,089,200	7,091,300	7,574,900	485,700	6.9
Branches/Public Services	19,081,398	18,766,600	18,764,500	19,757,400	990,800	5.3
English Language Learning/Literacy		324,000	324,000	226,000	(98,000)	(30.2)
Library Restricted Funds	(76,853)					
Capital Transactions	(405,074)					
Net Total	**$ 23,266,530**	**$ 23,537,000**	**$ 23,537,000**	**$ 25,083,300**	**$ 1,546,300**	**6.6**

SUMMARY OF EXPENDITURE AND REVENUE

Expenditures	2022/23 Actual	2023/24 Budget	2023/24 Projections	2024/25 Budget	Δ 23/24 Budget	Δ %
Compensation and Benefits	$ 20,273,002	$ 21,019,000	$ 21,019,000	$ 21,769,300	$ 750,300	3.6
Office	633,965	702,000	722,000	752,300	50,300	7.2
External Services	1,247,815	1,325,700	1,325,700	1,344,000	18,300	1.4
Supplies	143,356	118,600	98,600	88,600	(30,000)	(25.3)
Materials	136	-	-	-	-	-
Building Costs	1,828,855	1,423,800	1,393,800	1,524,800	101,000	7.1
Equipment and Communications	233,032	346,500	378,600	491,500	145,000	41.8
Other Goods and Services	4,878,188	4,528,900	4,528,900	5,029,100	500,200	11.0
Interdepartmental	28,858	33,200	33,200	33,200	-	-
Other Fiscal	624,109	(400)	(2,500)	(2,400)	(2,000)	500.0
Total Expenditures	**29,891,316**	**29,497,300**	**29,497,300**	**31,030,400**	**1,533,100**	**5.2**

Revenues	2022/23 Actual	2023/24 Budget	2023/24 Projections	2024/25 Budget	Δ 23/24 Budget	Δ %
Transfers from other Governments	(5,321,700)	(5,274,300)	(5,274,300)	(5,274,300)	-	-
Fee Revenues	(353,217)	(381,500)	(381,500)	(368,300)	13,200	(3.5)
Other Revenue	(949,869)	(304,500)	(304,500)	(304,500)	-	-
Total Revenues	**(6,624,786)**	**(5,960,300)**	**(5,960,300)**	**(5,947,100)**	**13,200**	**(0.2)**
Net Total	**$ 23,266,530**	**$ 23,537,000**	**$ 23,537,000**	**$ 25,083,300**	**$ 1,546,300**	**6.6**

OPERATING – SUMMARY OF CHANGES

Change Description / Service Impact	Amount
Approved 2023/24 Budget	$ 23,537,000
Service Enhancements	
Library collections investment as per Halifax Regional Council direction	300,000
Inflation/Service Pressures	
Collective agreements and other compensation adjustments	750,300
Natural gas and other building maintenance	101,000
Supplies and equipment	317,500
Contractual Increases	
Janitorial, snow removal, refuse collection, facility lease agreement	66,300
Revenue Changes	
Adjustments for printing, parking, and fees	11,200
Total Changes	$ 1,546,300
2024/25 Budget	**$ 25,083,300**

Service Enhancements

Library Collections Investment. Additional investment to improve library physical and digital materials as per Halifax Regional Council direction of December 12, 2023. The Halifax Public Libraries Collection Investment Staff Report is attached to the proposed budget and business plan recommendation report.

SERVICE AREA PLANS

ACCESS SERVICES

Access Services provides the infrastructure of materials and technology to facilitate the delivery of library service throughout the region. This includes deployment and support of public access computers and free public Wi-Fi, management of a specialized integrated library system – including a searchable database of all library materials, development of a high-quality collection of print and electronic materials, and the accompanying systems to support the circulation of these materials.

Services Delivered

Collection Management. This department is responsible for the selection and acquisition of quality materials for the Library collection in both physical and digital formats, and for providing easy access to that collection via the catalogue. This department is also responsible for movement of the collection among all branches, ensuring that the collection is accessible in a timely fashion for all residents of the municipality.

Information Technology. This service is responsible for implementing and supporting system-wide public use and staff computer hardware and software, managing the information technology infrastructure including the integrated Library system, and the provision of Wi-Fi in each of the Library's locations.

Service Delivery Performance Measures

Performance Measures	2021/22 Actual [1]	2022/23 Actual	2023/24 Projected [2]	2024/25 Projected
Total annual wireless connections	4,912,687	6,979,600	6,813,701	6,979,600
Public use computer bookings	223,124	363,555	407,714	407,714
Annual non-electronic circulation [3]	2,504,088	3,035,121	2,804,215	2,600,000
Annual non-electronic circulation per capita	5.44	6.13	5.64	5.24
Annual electronic circulation [4]	1,524,883	1,607,096	2,005,265	2,200,000
Annual electronic circulation per capita	3.31	3.34	4.03	4.42
Size of collection per capita	1.81	1.77	1.63	1.70
Annual dollar amount spent on electronic library materials per capita	$2.56	$2.40	$2.80	$3.10
Materials expenditures per capita	$6.08	$5.19	$5.63	$6.23
Notes: 1) Includes in-person public access closure from April 23 – June 15. Also includes reduced capacity and programming adjustments to help stop the spread of COVID-19.				

Performance Measures	2021/22 Actual [1]	2022/23 Actual	2023/24 Projected [2]	2024/25 Projected
2) Starting August 2023, Keshen Goodman library service was reduced due to long term renovations that are anticipated to be completed in Spring 2024. Keshen Goodman is the second busiest branch in the library system. 3) Non-electronic circulation includes all print books, magazines, CDs, and DVDs. 4) Electronic circulation includes e-books and e-magazines. It does not include streaming services.				

Performance Measures Analysis

The demand for technology and digital information continues to grow. Use of public computers has increased by 14.5% compared to last year; there were more than $6M Wi-Fi connections, and electronic circulation is up by 24.8%. This increased demand for digital services demonstrates the community need and unique role the Library plays in bridging the digital divide.

While the demand for technology and access to Wi-Fi continues to grow in the community, we do not project increases in Wi-Fi connections and computer books as we are constrained by the physical infrastructure of the current library branches.

Demand for the Library collection (both physical and digital) remains consistent with a 5% increase in demand over last year; however, the demand for electronic collections experienced a substantial 24.8% increase in electronic circulation compared to last year. The cost of physical materials continues to increase, but the cost of electronic materials continues to rise making it increasingly challenging for the Library to keep up with the demand for materials.

Additional funds were invested in the library collection and that has helped to meet some of the community demand. However, there remains long wait times for new or topical books both in physical and electronic formats.

2024/25 Key Deliverables		Priority & Outcome	Target (T) / Estimated Completion (EST)
Name	**Description**		
Technology to Support Service	The Library will identify and implement new technology that improves customer experience in and outside of library locations.	Involved Communities	T – Q4 2025/26
Expansion of Home Services	The Library will work to expand home delivery service to those who cannot access Library locations.	Inclusive Communities	T – Q4 2025/26

2024/25 Key Deliverables		Priority & Outcome	Target (T) / Estimated Completion (EST)
Name	**Description**		
Digital Literacy	The Library will build capacity in staff to offer public programming and individual support to community members to build confidence in using technology.	Involved Communities	T – Q4 2025/26
Accessible Collections	The Library will invest in building accessible format collections.	Inclusive Communities	T – Q4 2025/26

ADMINISTRATIVE SERVICES

Administrative Services provides the Library's centralized infrastructure and support in the areas of Strategy & Business Intelligence, Finance & Facilities, People & Culture, Communications & Marketing, and Fund Development & Strategic Partnerships – functions that support the delivery of library service across the region.

Services Delivered

Facilities. This service provides facility planning and oversight. It ensures that facility design and maintenance are well-managed so that the spaces in which the Library operates meet the needs of the public. This unit also ensures all aspects of facility management are in place, including assessment of facility condition, risk and safety assessment, and identification of buildings in need of renovation or replacement.

Finance. This service ensures strong stewardship of financial resources. Key functional areas include financial planning, analysis and management of the annual operating budget, accounting, financial reporting and oversight, procurement, grant management and revenue and charitable receipting, asset management, risk analysis, financial modeling, and annual audit support. This unit provides direct support to the Finance Audit & Risk Committee of the Library Board.

Fund Development & Strategic Partnerships. As a registered charity, the Library builds strong relationships with private donors and foundations that provide additional resources for library activities and development. This service develops donor relations, grant applications, and required follow-up and reporting – securing important resources for the Library.

Marketing and Communications. This service is responsible for developing marketing and communications strategies that build awareness of services and programs provided by the Library, building website content and promotional campaigns to communicate library programs, and promotion of activities to the community.

People & Culture. This service provides human resource programs and services in all library branches and departments. Key functional areas include: labour and employee relations including collective agreement negotiation, occupational health and safety, employee wellness, payroll, learning and development, recruitment and selection, organizational development, onboarding, compensation and benefits, and volunteer oversight.

Strategy. Supporting the Library Board, Chief Librarian & CEO, Service Excellence Team, and all managers across the Library system, this unit is responsible for record and document development, management, and maintenance of the staff Intranet site to assist in decision making and information sharing. It also supports the research and business intelligence that supports performance excellence and planning including business plan coordination, project planning, demographic and performance analysis, and data research.

2024/25 Key Deliverables		Priority & Outcome	Target (T) / Estimated Completion (EST)
Name	**Description**		
Accessible Website	The Library will enhance the user experience, focusing on accessibility of the library website.	Inclusive Communities	T – Q4 2024/25
Community Growth	The Library will undertake an assessment of the impact of new neighbourhood development and population distribution on Library services and locations.	Involved Communities	T – Q4 2025/26
Indigenous Spaces	Through partnerships with Indigenous community members, the Library will work to find ways to welcome and represent Indigenous communities into our physical spaces.	Inclusive Communities	T – Q4 2025/26
Community Safety	Working with the Library Community Navigators, the Library security team, and community, the Library will share and train all staff on the Library's approach to community safety in our branches.	Safe Communities	T – Q4 2024/25
Internal Communications	The Library will develop and enhance internal communication channels to support employee engagement, information sharing and connection.	Engaged and Skilled People	T – Q4 2026/27
Leadership Development	The Library will develop a leadership development plan to build future leaders of the organization.	Engaged and Skilled People	T – Q4 2026/27

2024/25 Key Deliverables		Priority & Outcome	Target (T) / Estimated Completion (EST)
Name	**Description**		
Sheet Harbour Library	The Library will work collaboratively with the municipality, Parks & Recreation and Halifax Regional Fire & Emergency to build a new library in Sheet Harbour that meets the community's needs.	Inclusive Communities	T – Q4 2026/27

PUBLIC SERVICES

The Library's Public Services team is committed to supporting Regional Council priorities through the provision of excellent public library service to residents of the municipality via 14 branches, two community offices, and a range of outreach activities including pop-up libraries in areas not near branches, along with other community engagement activities.

Services Delivered

Branch Services. Library programs and services are provided through 14 library branches, and two community offices. The Library circulates a wide variety of print and electronic library material. Library staff assist the public with information and leisure reading needs, provide access to local history and genealogy information, and assists people with building their digital literacy to support accessing the latest electronic materials and devices in collaborative and social spaces. Library services include lending services, programs for all ages, literacy and language programs, food and technology learning, and meeting room rentals.

The Library offers volunteer opportunities for community members to become more engaged with their communities. Volunteers provide tutoring support, build connections with newcomers, deliver library material, pack snack and activity packs, make lunches, and so much more. The Library's volunteer programs help support individuals and offer opportunities for the public to build meaningful connections with their community.

Community Engagement. Beyond the branches, the Library provides outreach services across the municipality's communities through pop-up programs, as well as community partnerships and engagement. Working with community members and partners, staff develop community-led library services that are delivered throughout the municipality, facilitating accessibility to service and ensuring respect for diversity. By providing opportunities to engage, Halifax Public Libraries works to improve community well-being and reduce social isolation. The Library also participates in interlibrary loan services with libraries across Canada and the province-wide Borrow Anywhere Return Anywhere program which allows residents to return items to any library in Nova Scotia and it will find its way back to the home library system. The Library also offers inclusive library services by offering home delivery and borrow by mail options for those who cannot easily visit library branches and by providing adaptive technology and access to alternative formats for individuals with print disabilities.

Service Delivery Performance Measures

Performance Measures	2021/22 Actual [1]	2022/23 Actual	2023/24 Projected [2]	2024/25 Projected
Annual Library uses [3]	15,922,511	20,824,731	20,952,089	21,300,000
Annual Library uses per capita	34.6	43.3	42.2	42.8
Annual Library visits	1,521,302	2,593,425	2,665,021	2,900,000
Annual Library visits per capita	3.31	5.39	5.36	5.40
Home delivery / borrow by mail circulation [4]	65,441	77,539	67,535	67,535
Meeting room bookings	5,887	10,954	13,191	13,191
Volunteer hours	25,497	24,823	25,839	25,839
Hours of in person Library service [5]	30,584	42,749	38,435 [6]	42,749

Notes:
1) Includes in person public access closure from April 23 – June 15. Also includes reduced capacity and programming adjustments in accordance with public health orders to help stop the spread of COVID-19.
2) Starting August 2023 Keshen Goodman library service was reduced due to long term renovations that are anticipated to be completed in Spring 2024. Keshen Goodman is the second busiest branch in the library system.
3) Library uses include in-person visits, circulation (both electronic and digital), online activity, Wi-Fi connections, program attendance, and technology use. Calculated using the Canadian Urban Library Council definition of Library use.
4) Home delivery/borrow by mail circulation are a subset of the physical collection circulation that are delivered or mailed to community members.
5) Total hours of open hours to the public does not include curbside service.
6) Decline in number of hours is based primarily on Keshen Goodman adjusted services and reduction of evening hours at Alderney Gate.

Performance Measures Analysis

In August 2023, a large-scale renovation project began at Keshen Goodman Library. Undertaking the renovation required a reduction in library service at that location which included closing a large portion of the Library, and short term closures of the branch and reduced access throughout the project. It is anticipated that this project will be completed in Spring 2024 and the branch will return to full service at that time. Despite this service reduction at the second largest and busiest branch in the system, the overall number of Library uses across Halifax Public Libraries remains consistent with last year. In person visits, circulation, and program attendance are all higher than the previous year.

Higher costs, food insecurity, and lack of secure housing continue to impact the community. The Library works to provide access and services that help to address community need. Free access to family programs that entertain

and build literacy, entertainment, community referral services, warm (or cool) spaces for all, access to technology, information, and programs that support learning help to support everyone.

The Library continues to focus services to meet the needs of newcomers, marginalized groups, individuals who experience social isolation, families, children, seniors, and those experiencing poverty. Under the Library's community focused service delivery approach, programs and services are adapted to each community or neighbourhood.

While demand for Library services continues to grow, it is not anticipated that there will be a significant increase in library uses, room rentals, and in person visits etc. in the coming year. Most Library branches are operating at capacity and until additional Library space is created, it is projected that the use of the Library will remain consistent but not grow dramatically.

2024/25 Key Deliverables		Priority & Outcome	Target (T) / Estimated Completion (EST)
Name	**Description**		
Affordability	The Library will work to build programming and supports that help community members navigate increasing costs.	Inclusive Communities	T – Q4 2025/26
Library Access	The Library will work to provide options for residents to access library services outside of normal branch hours.	Involved Communities	T – Q4 2025/26
Emergency Preparedness	The Library will build capacity to support the public in times of emergency, climate change preparedness, and post-disaster recovery.	Climate Resilience HalifACT	T – Q4 2025/26
Residential Retrofit Information	The Library will partner to provide information and resources to residents about options for energy efficiency and residential retrofits to reduce energy consumption.	Climate Resilience HalifACT	T – Q4 2024/25
Food Literacy	The Library will identify specific communities and groups to work with to build food literacy skills.	Inclusive Communities	T – Q4 2025/26

2024/25 Key Deliverables		Priority & Outcome	Target (T) / Estimated Completion (EST)
Name	**Description**		
Newcomer Services	Working with community partners, the Library will work to build programs, services and staff capacity to address the specific needs of newcomers.	Inclusive Communities	T – Q4 2025/26
Local & Family History Collections	Working with community members, the Library will make available new digital collections that focus on the African Nova Scotian community.	Inclusive Communities	T – Q4 2025/26
Community Dialogue	The Library will provide spaces, opprotunities and facilitated discussions on important topics to our communities.	Inclusive Communities	T – Q4 2025/26
Access to Arts and Culture	The Library will provide free and open access to arts and culture experiences, including concerts, art exhibits, cultural programming, and more.	Inclusive Communities	T – Q4 2025/26

HALIFAX

February 2, 2024

HALIFAX PUBLIC LIBRARIES

2024/25 Budget & Business Plan

Mission

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

Service Areas

- Administrative Services

- Public Services

- Access Services

HALIFAX

Successes

- 20.9M   library uses

- 6.8M   Wi-Fi connections

- 38K   hours of library service

- 550K   questions answered

- 4.8M   items borrowed

KPI Highlights

	2020/21	2021/22	2022/23	2023/24 Projected
Total library uses	11.3M	15.9M	20.8M	20.9M
Annual library electronic uses	8.3M	11.4M	14.3M	14.6M
Annual library visits	1M	1.5M	2.6M	2.6M
Annual program attendance	52K	86K	181K	202K

2024/25 Planned Work Highlights

Communities

- Affordability – the Library will continue to offer free family entertainment, concerts, food literacy programs, learning resources, and other cultural events that help community with rising costs.
- Connecting Communities – the Library will continue to provide access to free spaces, community referrals, knowledge sharing, access to information, and more for all community members.

2024/25 Planned Work Highlights

Communities

- Equitable Access – the Library will continue to identify and remove barriers to participation; including building accessible format collections, improving library spaces, creating responsive services, and removing barriers to employment.

2024/25 Planned Work Highlights

Communities

- Addressing the digital divide – the Library will continue to offer access to technology and learning to help address the growing digital divide; including extending access to Wi-Fi, lendable technology, learning resources, and programming.

2024/25 Planned Work Highlights

Environment

- Awareness – in partnership with *HalifACT*, the Library will build programming, engagement, and learning opportunities to enhance community understanding of the climate emergency.
- Infrastructure – the Library will work to retrofit buildings to improve efficiency.

Staff Counts

Full Time Equivalent (FTE) Change Details	
Approved 2023/24 FTEs:	333
Total Changes	-
Total Budgeted 2024/25 FTEs	**333**

Includes full, part-time, and permanent positions.
Some opening balances have been restated to be consistent with how an FTE is counted.
2023/24 FTE adjusted to include 4 FTE approved in 2022/23 Library budget to enhance rural and home library service.

Operating Budget Summary of Changes

Change Description / Service Impact	Amount
Approved 2023/24 Budget	$ 23,537,000
Service Enhancements	
Library collections investment as per Halifax Regional Council direction	300,000
Inflation/Service Pressures	
Collective agreements and other compensation adjustments	750,300
Natural gas and other building maintenance	101,000
Supplies and equipment	317,500
Contractual Increases	
Janitorial, snow removal, refuse collection, facility lease agreement	66,300
Revenue Changes	
Adjustments for printing, parking, and fees	11,200
Total Changes	$ 1,546,300
2024/25 Budget	**$ 25,083,300**

Halifax Public Libraries | Let's Talk Libraries

I want my library to be more:

HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No 15.1.1.
Halifax Regional Council
December 12, 2023

TO:	Mayor Savage and Members of Halifax Regional Council
SUBMITTED BY:	*Original Signed*
	——————————————————————————
	Cathie O'Toole, Chief Administrative Officer
DATE:	November 15, 2023
SUBJECT:	**Halifax Public Libraries Collection Investment**

ORIGIN

Feb 22, 2023 Halifax Regional Council (Item No. 15.3.2):

MOVED by Councillor Mancini, seconded by Councillor Morse

THAT Halifax Regional Council direct the Chief Administrative Officer (CAO) to provide a staff report to create a strategy to bring the Halifax Public Libraries collection to the national standard working with the Halifax Public Libraries Chief Executive Officer.

MOTION PUT AND PASSED UNANIMOUSLY.
Not present: Councillor Outhit

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S. 2008, c. 39 as amended

79 The Council shall adopt an operating budget and a capital budget for each fiscal year.

79A(1)Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if,
(a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality,
(b) the expenditure is in respect of an emergency under the Emergency Management Act; or
(c) the expenditure is legally required to be paid.

RECOMMENDATION

It is recommended that Regional Council direct staff to plan and budget for increases to the Library material spending budget, based on Option 2 scenario described in this staff report.

BACKGROUND

In three out of the last four budget cycles, Halifax Public Libraries (the Library) has requested and been approved for additional funding through the Balance Adjustment List to cover the rising costs of library materials. The increase in population and rising cost of electronic resources and books was not factored into the budget required to deliver service and has been considered as an additional service enhancement.

Traditionally the Library has spent at or below the national median on library materials (books, dvds, audiobooks, ebooks, etc) per capita compared to other urban library systems. In addition the Library has higher than average use of library material.

Over the last several years the Library has requested additional funds from council to support the purchase of library material. In addition during COVID-19 the Library redirected any savings from periods of closure into the collection budget.

	HPL Library Material Budget	HPL Library Material Actual Spending	HPL Library Material Budget per capita	HPL Actual Library Material Spending per capita[1]	NATIONAL COMPARISONS	
					CULC Median Library Material Spending per capita[2]	Median Ontario Library Material Spending per capita[3]
2017	2,075,500.00	2,143,167.00	4.92	5.08	5.74	5.57
2018	2,075,500.00	2,399,002.00	4.82	5.57	5.65	5.68
2019	1,946,500.00	2,344,716.00	4.42	5.32	5.7	5.74
2020	2,444,700.00	2,752,695.00	5.55	6.25	6.75	5.91
2021	2,296,500.00	3,327,376.00	5.12	7.42	6.19	6.15
2022	2,496,500.00	2,733,884.00	5.43	5.94	6.91	6.26
2023	2,796,500.00		5.82			

[1] Actual spending from operating budget. The Library redirects savings achieved in other areas to support purchasing additional materials for the collection.
[2] Canadian Urban Libraries Council (CULC) median spending on library material per capita collected through the annual survey of membership.
[3] Median of Ontario Public Libraries material spending per capita. Only library systems serving populations greater than 100,000 are included in the median. From the annual survey of Ontario Public Libraries.

For example, in 2019 the Canadian Urban Library Council (CULC) library material spending per capita was 5.70 and Halifax Public Libraries' material spending per capita budget was 4.42. With additional investment from the Balance Adjustment List and some redirection of library operating funds, the Library's actual material spending per capita was 5.32 which was an improvement but still below the 5.7 CULC median for 2019.

The demand for e-books and e-audiobook loans has increased 110% over the past 5 years, and it is anticipated that demand will continue to grow. E-books and audiobooks currently comprise 32% of all items loaned from the Library, up from 21% in 2019. This is a compounded challenge, as it is substantially more expensive to procure e-resources compared to traditional books. In addition, the cost of e-resources can be multiple times more than the physical copy of the same book. For example, The Island of Missing Trees by Elif Shafak costs $21.46 for the physical copy, $80.46 for the e-book, and $183.03 for the audiobook.

While the cost of e-resources is more expensive it provides enhanced accessibility to many in our communities. E-books and digital resources are the core of our accessible collections. E-collections should expand not only to meet user interest and preferences, but also to extend collection access to rural residents, to visually impaired community members, those with dyslexia and other print disabilities, with cognitive or hearing disabilities, and who face other challenges in accessing print & physical library resources. The digital collections have features that print books do not: dyslexic-friendly fonts, screen reader compatibility, zoom features & adjustable text sizing, adjustable play back speed (so individuals can play audiobooks at a lower or higher speed), colour adjusting and dark mode, keyboard shortcuts, and

more.

DISCUSSION

Reaching the National Median

Option 1 – Reaching the National Median in one budget year.

A one-time base adjustment of $692,355 to the library materials budget in 2024/25 would bring the Library material spending to the 2022 CULC median in one year. This amount includes a one-time adjustment to reach 6.91 spending per capita, plus an adjustment assuming a 2% population increase, and a 3% increase in library material costs.

In order to maintain the national standard, each subsequent year the collection budget would need to be adjusted to account for estimated population growth and anticipated material costs. The table below illustrates the additional funds required based on 2% population growth and 3% inflation on library materials.

	Library Material Budget	Change from previous year	Δ%
2023	$ 2,796,500		
2024	$ 3,488,855	$ 692,355	25%
2025	$ 3,665,391	$ 176,536	5%
2026	$ 3,850,860	$ 185,469	5%
2027	$ 4,045,714	$ 194,854	5%
2028	$ 4,250,427	$ 204,713	5%

Option 2 – Reaching the National Median over five budget years.

Another option would be to spread reaching the 2022 CULC median spending on library material over five years. In this option an additional $290,785 per year in each of the five years would be required. The table below illustrates the funding requirements based on a 2% population increase and 3% inflation on library materials.

	Library Material Budget	Change from previous year	Δ%
2023	$ 2,796,500		
2024	$ 3,087,285	$ 290,785	10%
2025	$ 3,378,071	$ 290,785	9%
2026	$ 3,668,856	$ 290,785	9%
2027	$ 3,959,641	$ 290,785	8%
2028	$ 4,250,427	$ 290,785	7%

Option 3 - Maintaining current service levels

In order to maintain current service levels and ensure that library material spending does not fall further from the CULC median spending per capita the library materials budget must be adjusted to account for

population growth and anticipated inflationary costs. The following table illustrates the additional investment required to maintain current library spending per capita assuming a 2% population growth and a 3% inflation rate.

	Library Material Budget	Change from previous year	Δ%
2023	$ 2,796,500		
2024	$ 2,938,515	$ 142,015	5%
2025	$ 3,087,204	$ 148,689	5%
2026	$ 3,243,416	$ 156,213	5%
2027	$ 3,407,533	$ 164,117	5%
2028	$ 3,579,954	$ 172,421	5%

The recommended option is Option 2, reaching the 2022 CULC median spending per capita over 5 years. This option builds in adjustments for modest population increases and inflation costs. This option will allow the library to address customer demand and provide comparable service to other urban libraries in Canada. However, if population growth continues at higher than 2% and inflation costs are higher than the anticipated 3% the library may not be able to keep pace with community demand and reach the CULC median spending.

FINANCIAL IMPLICATIONS

Based on Council approving option 2, the table below outlines a total budget increase of $1,453,925 over five years. This would result in an increase of $ 290,785 in each of next five years which would result in an estimated average residential bill increased of $1.02 in each fiscal year as outlined below.

Fiscal Year	2024/25	2025/26	2026/27	2027/28	2028/29
Material Budget	$3,087,285	$3,378,071	$3,668,856	$3,959,641	$4,250,427
Budget Increase	$290,785	$290,785	$290,785	$290,785	$290,785
Avg residential tax bill impact*	$1.02	$1.02	$1.02	$1.02	$1.02

*Future years average tax bill impact is based on 2023/24 rates.

RISK CONSIDERATION

No risk considerations were identified.

COMMUNITY ENGAGEMENT

No community engagement was required.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

1. Regional Council could choose to direct the CAO to adjust the Halifax Public Libraries budget based on Option 1 scenario as described in this staff report.
2. Regional Council could choose to direct the CAO to adjust the Halifax Public Libraries budget based on Option 3 scenario as described in this staff report.

ATTACHMENTS

N/A

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Asa Kachan, CEO Halifax Public Libraries, 902.490.3991