



COUNTY OF WELLINGTON

COMMITTEE REPORT

To: Chair and Members of the Information, Heritage and Seniors Committee
From: Ken DeHart, County Treasurer
Date: Wednesday, November 10, 2021
Subject: **Preliminary 2022-2031 Ten-Year Plan: Library**

Background:

This forecast provides a high-level view of major budget issues and planned capital investments and serves as a guide for departments in preparing their detailed current year operating and capital budgets. The preliminary corporate ten-year plan will be considered by the Administration, Finance and Human Resources Committee on November 16, 2021 and the forecast will be updated at the time the budget is approved early in the New Year.

Major Operating Budget Impacts

Staff are in the process of compiling the detailed 2021 operating budgets for each department. Major items to be reflected in the 2021 Library Operating Budget include the following:

- The Library department ceased collecting late fees early in 2020 during the onset of the pandemic. This practice has been maintained throughout 2021 as provincial shutdowns occurred and library locations were closed. In review of the benefits and drawbacks of collecting late fees from library members as well as discussion with other library boards, staff have recommended that library late fees be discontinued and this amount (\$62,800) has been removed from the 2022 budget.
- Staffing changes include additional branch supervisor hours to move two part-time positions to full-time and meet staffing level needs at the Palmerston and Drayton locations (\$30,000)
- The budget includes a provision starting in 2023 estimated at \$100,000 for a capital lease (to own) payment for the Rockwood Library Branch, owned by the Township of Guelph/Eramosa. Discussions regarding this item will be ongoing and is dependent upon the timing of the Township building a new Community Centre. Staff will report back when there is more certainty regarding this item.

Capital Budget Forecast

In accordance with the Budget Management Policy, the list of capital works includes those initiatives that have a long-term benefit to the corporation and whose capital cost is at least \$25,000. Capital budgets are presented as inflated by 3.5% per year, which represents the five-year average of the non-residential construction price index. Highlights of the Library capital forecast are as follows:

- The new Erin Library Branch budget allocation reflects most recent costing estimates provided by +VG Architects. Budget timing is adjusted to facilitate the land purchase currently under review. Budget allocations are spread over 2022-2024 funded through a combination of debt (\$4 million) and reserves (\$3.5 million).

- Library branch building lifecycle replacements total \$2.8 million over the forecast and are identified through building conditions assessment conducted in 2016. Replacements are based on the condition at the time of assessment and industry standards for expected useful lives. As the projects move through the forecast, staff review the timing and costing. Building lifecycle replacements receive funding from the Property Reserve.
- The library courier van replacement cycle occurs twice in this forecast. The 2027 van is budgeted to accommodate an electric vehicle purchase, and reflects preliminary corporate climate change budget initiatives. The 2022 purchase remains gas-powered, as the technology is not yet available for this type of vehicle.
- The Library Master Plan intends to review all aspects of library services from facilities and collections to staffing and programming. Staff have delayed this work to 2025 as library services adjust to a new normal.

The detailed 2022 operating budget and revised ten-year plan will be presented to the Committee in January. Attached to the report is the current proposed ten-year operating budget and ten-year capital budget for the Library.

Recommendation:

That the preliminary 2022-2031 Library capital budget forecast and major operating budget impacts as set out in this report be endorsed and forwarded to the Administration, Finance and Human Resources Committee for inclusion in the County of Wellington's Preliminary Ten-Year Plan.

Respectfully submitted,



Ken DeHart, CPA, CGA
County Treasurer