



# COUNTY OF WELLINGTON

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## COMMITTEE REPORT

**To:** Chair and Members of the Information, Heritage and Seniors Committee  
**From:** Ken DeHart, County Treasurer  
**Date:** Wednesday, November 9, 2022  
**Subject:** **Preliminary 2023-2032 Ten-Year Plan: Library**

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### 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 29, 2022 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 2023 operating budgets for each department. Major items to be reflected in the 2023 Library Operating Budget include the following:

- Staffing changes include additional assistant branch supervisor hours to meet staffing level needs at the Palmerston and Drayton locations (\$38,000) as these locations will have increased hours for County residents
- The budget includes a provision starting in 2024 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.
- Fergus Library debt charges mature in 2023 resulting in savings of \$134,000 in 2023 and \$141,000 in 2024. Erin Library debt charges start in 2023 and will be fully offset by development charge funding.

### 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. Where applicable, capital budgets are presented as inflated by 15% for 2023, 5% for 2024 and 3.5% for 2025-2032. The inflation factor for 2023 represents the current non-residential construction price index. It is anticipated that inflation will return to historical levels and the future forecast reflects this expectation. Highlights of the Library capital forecast are as follows:

- Erin Library New Construction budget allocation is carried forward from last year's 10-Year Plan. Updated estimates will be provided in January after work on the stabilization tender is farther along. Remaining budget allocations for construction of the library are spread over 2023-2024 funded through a combination of reserves (\$4.3 million) and growth-related debt (\$2.1 million). Future development charge collections will cover the cost of the debt charges.  
(Note: inflation factor has not been applied to the project budget)

- Library branch building lifecycle replacements total \$4.0 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 are funded by the County Property Reserve.
- Due to the unavailability of inventory, an electric courier van in the 2022 budget has been amended to a traditional fuel vehicle and will be acquired in 2023. The 2023 budget includes a budget adjustment to reflect the impact of inflationary pressures on costs.
- The library courier van replacement is scheduled for 2027 and is budgeted to accommodate an electric vehicle purchase reflecting preliminary Corporate Climate Change budget initiatives.
- The Library Master Plan in 2025 intends to review all aspects of library services from facilities and collections to staffing and programming.

The detailed 2023 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 2023-2032 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