



Agenda
Newmarket Public Library Board

Wednesday, June 17, 2015 at 5:00 PM
Regular Board Meeting

Agenda compiled on 15/06/2015 at 3:10 PM

Adoptions of Agenda

1. Adoption of Regular Agenda
2. Adoption of the Closed Session Agenda
3. Adoption of Consent Agenda Items

Declarations

Consent Agenda Items

4. Adoption of the Regular Board Meeting Minutes for Wednesday, May 20, 2015 p. 1
5. Strategic Operations Report for May, 2015 p. 7
6. Library Statistical Data for May, 2015 p. 8
7. Monthly Bank Transfer p. 12

Motion to Convene into a Closed Session

8. That the Library Board Move into a Closed Session to discuss labour relation matters

Business Arising

9. Fundraising and Development Strategy p. 13
10. Library Board Action Tracking List p. 15

New Business

11. 5 year Operating Budget Projections p. 17
12. 2016 Budget p. 18

Date(s) of Future Meetings

13. The next Newmarket Public Library Board Regular Board Meeting will be

Newmarket Public Library Agenda – Wednesday, June 17, 2015
438 Park Ave, Newmarket, ON

Wednesday, September 16, 2015, at 5:00 pm in the Library Board room.

Adjournment



**Newmarket Public Library Board
Regular Board Meeting
Wednesday, May 20, 2015
Newmarket Public Library Board Room**

Present: Joan Stonehocker – Chair
Tom Vegh – Vice Chair
Darcy McNeill
Kelly Broome-Plumley
Venkatesh Rajaraman

Regrets: Tara Brown
Joe Sponga

Staff Present: Todd Kyle, CEO
Linda Peppiatt, Deputy CEO
Lianne Bond, Administrative Coordinator

The meeting came to order at 5:15 pm

1. Introduction and Overview of Library Board Procedure and Governance

The CEO welcomed the newly appointed Board members and gave an overview of Library Board Procedure and Governance.

2. Library Board Elections

The CEO called for the nomination for the position of Newmarket Public Library Board Chair.

Motion 15.05.001

**Moved by Tom Vegh
Seconded by Kelly Broome-Plumley**

THAT Joan Stonehocker is appointed to the position of Chair for the Newmarket Public Library Board.

CARRIED

The CEO called for the nomination for the position of Newmarket Public Library Board Vice Chair.

Motion 15.05.002

**Moved by Kelly Broome-Plumley
Seconded by Venkatesh Rajaraman**

THAT Tom Vegh is nominated to the position of Vice Chair for the Newmarket Public Library Board.

CARRIED

The Library Board discussed succession planning for the Library Board and agreed that the newly appointed Vice-Chair will step aside after a term of one year in order that a Community Member can take on the role of Vice Chair.

The CEO turned the meeting over to the new Library Board Chair.

3. Adoption of Agenda Items

- a) Adoption of Regular Agenda
- b) Adoption of the Closed Session Agenda
- c) Adoption of Consent Agenda items

The Chair asked if there were any additions to the agenda.

Motion 15.05.003

Moved by Kelly Broome-Plumley
Seconded by Venkatesh Rajaraman

That Agendas a) to c) be adopted as presented.

Carried

4. Declarations

None were declared.

5. Consent Agenda Items:

- a) Adoption of the Regular Board Meeting Minutes for Wednesday, April 15, 2015
- b) Strategic Operations Report for April, 2015
- c) Library Statistical Data for April, 2015
- d) Monthly Bank Transfer

Motion 15.05.004

Moved by Darcy McNeill
Seconded by Venkatesh Rajaraman

That Consent Agenda Items a) to d) be received as presented.

Carried

6. Motion to Convene into a Closed Session

Motion 15.05.005

Moved by Tom Vegh

Seconded by Kelly Broome-Plumley

That the Library Board moved into Closed Session at 5:30 pm to discuss labour relation matters.

Carried

Motion 15.05.006

Moved by Tom Vegh

Seconded by Venkatesh Rajaraman

That the Library Board move out of Closed Session at 6:10 pm.

Carried

Motions arising from the Closed Session:

Motion 15.05.007

Moved by Venkatesh Rajaraman

Seconded by Kelly Broome-Plumley

That the Library Board receive the report on the 2015 annual economic adjustments for non-union employees.

Carried

Motion 15.05.008

Moved by Tom Vegh

Seconded by Darcy McNeill

That the Library Board receive the verbal report and authorize the additional expenditure in Audit, Legal and Finance of up to \$25,000 for unanticipated professional fees.

Carried

7. Reports

a) 2014 Draft Audited Financial Statement

The Library Board reviewed the draft Audited Financial Statements for 2014 completed by BDO Canada LLP.

Motion 15.05.009

Moved by Kelly Broome-Plumley
Seconded by Venkatesh Rajaraman

That the Library Board approve the 2014 draft Audited Financial Statement as presented.

Carried

b) 2015 First Quarter Financial Statements

The Library is on target for the first quarter of 2015 in both expenditures and revenue.

Motion 15.05.010

Moved by Tom Vegh
Seconded by Darcy McNeill

That the Library Board receive the 2015 First Quarter Financial Statements as presented.

Carried

c) Annual Report to the Community

The Library Board reviewed the Second Annual Report to the Community which will be posted on the Library website and distributed to stakeholders.

Motion 15.05.011

Moved by Darcy McNeill
Seconded by Kelly Broome-Plumley

That the Library Board receive the Second Annual Report to the Community as presented.

Carried

d) 2015 Draft Business Plan

A draft 2015 Business Plan of expected actions to operationalize each area of the Strategic Plan was presented to the Library Board.

Motion 15.05.012

Moved by Tom Vegh
Seconded by Kelly Broome-Plumley

That the Library Board approved the 2015 Business Plan as drafted.

Carried

8. Policies

a) Code of Conduct Policy

The Library Board reviewed the Code of Conduct policy and agreed no changes were required.

Motion 15.05.013

Moved by Tom Vegh

Seconded by Kelly Broome-Plumley

That the Library Board approved the Code of Conduct Policy as presented.

Carried

9. Business Arising

a) Draft Suggested Revisions of Action List

A revised format of the Library Board Action Tracking List was presented for review. The Board agreed to the revisions on Action List.

Motion 15.05.014

Moved by Tom Vegh

Seconded by Venkatesh Rajaraman

That the Library Board approved the suggested revisions of the Action Tracking List.

Carried.

b) Fundraising and Development Strategy

This item was deferred to the next regularly scheduled Library Board meeting.

10. New Business

a) Long Term Disability Reserve (LTD)

The Town of Newmarket has converted most of its provider funded benefits to a fully self-funded program for LTD and has suggested that the Library participate in this self-funded LTD program through a corporate wide LTD Reserve.

Motion 15.05.015

Moved by Kelly Broome-Plumley

Seconded by Venkatesh Rajaraman

That the Library Board approve the closure and transfer of the current balance of the Library's Long Term Disability Reserve Fund to the Town of Newmarket's equivalent reserve.

Carried

11. Date(s) of Future Meetings

The next regular Library Board meeting will be Wednesday, June 17, 2015 at 5:00 pm in the Library Board room.

12. Adjournment

Motion 15.05.016

Moved by Kelly Broome-Plumley

Seconded by Tom Vegh

That there being no further business meeting adjourned at 7:05 PM.

Joan Stonehocker
Chair

Todd Kyle, CEO
Secretary/Treasurer

	Igniting Community Dialogue, Discovery and Debate	Leading a Learning Community	Readying our Capabilities
Collaborative Relationships	<ul style="list-style-type: none"> May IdeaMarket on Assisted Suicide had approx. 22 participants 	<ul style="list-style-type: none"> CPAs of Canada program on Identity Theft had 9 participants; 3 more in series planned for fall Shakespeare Allowed program successful so far and will be renewed in Sept. 	<ul style="list-style-type: none"> Staff participated in Smart Commute Bike to Work Day
Spaces	<ul style="list-style-type: none"> The Era article on IdeaMarket published Nonprofits solicited for interest in booking main floor display case 	<ul style="list-style-type: none"> Staff exploring use of storage room for maker equipment space for public Staff consulted with PlaYR film festival staff on digital media station plans 	<ul style="list-style-type: none"> Signs, bookmarks and media release advertising summer Sunday openings released Two positive user comments received about summer Sunday openings Website homepage slides generated 5,399 clicks in May; 715 clicks for Zinio, Gale Courses, Indieflix & Mango
Positioning	<ul style="list-style-type: none"> Library exploring joint sponsorship with Jazz+ Festival Library coordinating joint ad for all York libraries in 2015 Franco-York Directory 	<ul style="list-style-type: none"> Several outreach visits made to schools for Kindergarten welcome nights 	<ul style="list-style-type: none"> CEO held first “Pop-Up Library” outreach at Farmer’s Market; attendees reported having seen e-resource ads in The Era NPL News e-newsletter generated 1,808 opens (49%), 444 click-throughs
Resources	<ul style="list-style-type: none"> A family newly arrived in Canada thanked library staff for making them feel welcome 	<ul style="list-style-type: none"> 3D printer certification courses and printing appointments for public have begun; first patron to print made 3 objects and library posted to Twitter Another parent comment on success of Reading Buddies; called it an “intergalactic” part of their child’s reading 	<ul style="list-style-type: none"> Self-service accounted for a record 61% of all check-outs for both April and May New printing server being set up for self-serve solution Setup in progress for upgrade to interactive voice response system (renewals, etc) Preparations underway for upgrade to Polaris ILS
Organization & Operations	<ul style="list-style-type: none"> New Volunteer Services Coordinator recruited and will start in June 	<ul style="list-style-type: none"> Staff attended training session on 3D design software in cooperation with Aurora library 	<ul style="list-style-type: none"> Head of Adult Services resigned; recruitment for replacement underway Staff attended Lead the Change conference on engaging your community to improve digital literacy and outreach initiatives.

Newmarket Public Library Statistical Data - 2015

Library Card Holders

2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
NPL Card Holders	23,554	23,726	23,837	23,764	23,825							
Residents	21,683	21,773	21,867	21,790	21,836							
Non-Residents	1,871	1,953	1,970	1,974	1,989							

New and Renewed Library Cards

2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
New registrations	258	498	362	237	210								1,565
New non-resident	39	37	34	30	35								175
Renewed membership	735	319	811	627	646								3,138

2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Website visits	13,036	12,715	14,146	12,834	13,365								66,096
# of PAC Account Logins	5,581	4,957	6,051	5,809	5,662								28,010
Room Rentals	64	71	67	199	64								465
Room Rental Hours	171	187	168	82	160								767

Programs

5 Year Trend - year to date May 31

# of Programs Held	2011	2012	2013	2014	2015
Adult	19	39	60	86	99
Children's	452	558	574	587	550
Total Programs	471	597	634	673	649

Program Attendance	2011	2012	2013	2014	2015
Adult	957	1,307	835	1,088	903
Children's	6,163	5,587	6,077	5,880	5,420
Total Attendance	7,120	6,894	6,912	6,968	6,323

Newmarket Public Library Statistical Data - 2015

Borrowing

2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
eAudio books	726	706	903	873	801								4,009
eBooks	3,076	2,930	3,235	2,896	2,913								15,050
eMagazines	323	421	575	382	356								2,057
eMusic	2,613	2,621	3,737	4,044	2,975								15,990
eVideo	54	98	160	144	55								511
Backpack Kit	4	3	5	3	2								17
Book	25,489	22,981	28,858	26,932	26,378								130,638
CD-ROM/DVD-ROM	17	34	29	19	26								125
DVD/Blu-ray	3,703	4,135	5,223	4,433	4,380								21,874
eBook Reader	4	5	3	8	3								23
GPS	-	2	1	2	4								9
ILL	198	162	203	184	190								937
Language Kit	54	41	46	35	39								215
Laptop	12	12	17	46	25								112
Multimedia Kit	66	84	76	45	64								335
Music CD	384	363	568	591	469								2,375
Pedometer	7	9	20	9	41								86
Periodical	1,121	865	1,113	1,145	959								5,203
Portable Audio Book	58	26	48	32	49								213
Talking Book	850	836	960	778	960								4,384
Video	9	10	4	2	5								30
Video Game	267	262	372	301	274								1,476
Total Borrowing	39,035	36,606	46,156	42,904	40,968								205,669

Database Usage

Adult Subscriptions	2,408	4,643	2,317	2,166	na								11,534
Children's Subscriptions	843	na	752	321	645								2,561
York Info (Community)	95,740	105,204	111,837	118,114	82,379								513,274
York Info (Volunteer)	11,015	16,268	18,059	16,927	9,917								72,186
Total Database Usage	110,006	126,115	132,965	137,528	92,941								599,555

Newmarket Public Library Statistical Data - 2014

Library Card Holders

2014	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
NPL Card Holders	22,327	22,140	22,347	22,397	22,352	22,386	22,866	23,332	23,473	23,664	23,659	23,368
Residents	20,463	20,279	20,456	20,499	20,462	20,487	20,925	21,381	21,527	21,707	21,707	21,452
Non-Residents	1,864	1,861	1,891	1,898	1,890	1,899	1,941	1,951	1,946	1,957	1,952	1,916

New and Renewed Library Cards

2014	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
New registrations	251	199	382	428	243	265	392	644	1,000	376	222	184	4,586
New non-resident	54	33	49	43	19	21	37	32	36	27	27	29	407
Renewed membership	667	628	715	445	649	585	1,085	327	40	529	662	493	6,825

2014	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Website visits	13,591	10,908	12,882	13,399	12,752	11,531	12,040	11,950	11,723	12,615	12,217	10,859	146,467
# of PAC Account Logins	5,350	4,788	5,456	5,403	5,281	4,953	5,636	5,548	5,327	5,216	5,362	5,097	63,410
Room Rentals	69	70	61	82	77	50	49	46	67	78	82	53	784
Room Rental Hours	178	180	151	219	195	153	128	222	184	181	199	155	2,142

Programs

5 Year Trend - year to date December 31

# of Programs Held	2010	2011	2012	2013	2014
Adult	23	33	93	157	247
Children's	952	845	1,167	1,293	1,344
Total Programs	975	878	1,260	1,450	1,591

Program Attendance	2010	2011	2012	2013	2014
Adult	948	1,392	2,323	2,149	2,229
Children's	15,444	12,956	12,905	13,796	13,791
Total Attendance	16,392	14,348	15,228	15,945	16,020

Newmarket Public Library Statistical Data - 2014

Borrowing

2014	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
eAudio books	481	443	476	525	461	366	561	494	607	638	705	648	6,405
eBooks	2,347	2,056	2,335	2,267	2,515	2,392	2,612	2,660	2,563	2,468	2,529	2,628	29,372
eMagazines	na	na	na	625	368	299	299	300	264	326	408	301	3,190
eMusic/Video	634	1,769	2,737	2,849	2,735	2,293	1,696	2,133	2,322	2,886	3,008	2,562	27,624
Backpack Kit	2	3	4	4	1	2	2	4	5	7	3	3	40
Book	24,090	22,484	27,439	25,247	25,805	23,610	33,976	29,703	26,540	27,107	25,933	22,763	314,697
CD-ROM/DVD-ROM	34	40	27	21	24	12	21	23	37	46	33	19	337
DVD/Blu-ray	3,938	3,787	4,453	4,221	4,192	3,344	4,734	4,409	3,723	3,886	3,940	3,227	47,854
eBook Reader	4	1	5	5	4	3	6	4	2	5	4	3	46
GPS	-	3	5	13	5	2	10	8	1	5	2	-	54
ILL	165	145	143	158	134	145	140	167	155	147	151	152	1,802
Language Kit	42	24	41	35	42	38	46	50	37	46	47	25	473
Laptop	47	35	24	38	40	22	36	27	15	16	33	10	343
Multimedia Kit	79	128	102	99	99	74	121	86	68	89	92	79	1,116
Music CD	637	609	696	572	550	387	418	561	397	456	593	449	6,325
Pedometer	4	7	21	18	23	20	14	10	5	7	7	4	1
Periodical	1,015	1,035	1,130	1,231	1,212	961	1,228	1,254	1,071	1,139	925	829	13,030
Portable Audio Book	26	32	42	36	48	41	47	41	36	56	45	29	479
Talking Book	884	837	902	891	855	887	964	904	817	880	910	768	10,499
Video	29	9	11	12	17	12	6	16	16	9	7	2	146
Video Game	262	258	370	350	285	215	495	433	340	294	307	201	3,810
Total Borrowing	34,720	33,705	40,963	39,217	39,415	35,125	47,432	43,287	39,021	40,513	39,682	34,702	467,782

Database Usage

Adult Subscriptions	3,525	2,370	1,834	1,448	2,097	2,253	1,671	1,405	2,033	3,183	2,999	1,095	25,913
Children's Subscriptions	1,001	748	847	649	523	946	240	399	724	1,189	1,613	605	9,484
York Info (Community)	78,994	68,976	72,074	70,752	69,524	64,578	67,825	67,988	63,802	83,171	25,491	89,127	822,302
York Info (Volunteer)	10,842	9,908	11,649	8,915	11,635	12,045	10,848	11,360	9,722	13,261	3,009	8,969	122,163
Total Database Usage	94,362	82,002	86,404	81,764	83,779	79,822	80,584	81,152	76,281	100,804	33,112	99,796	979,862

*note November was month of CIOC merger, stats last to merge/affected

**MEMORANDUM**

To: Newmarket Public Library Board

From: Todd Kyle, CEO

Date: June 17, 2015

Re: **Newmarket Public Library Bank Account – Fund Transfer**

Recommendation: The CEO recommends that the Library Board authorize the transfer of funds from the Newmarket Library bank account to the Town of Newmarket bank account through the following motion:

THAT the Library Board directs the CEO to authorize the Town of Newmarket Treasurer to transfer the net closing balance at May 29, 2015 of \$ 12,115.49 from the Newmarket Public Library Board bank account to the Town of Newmarket bank account.

**MEMORANDUM**

To: Newmarket Public Library Board

From: Todd Kyle

Date: June 17, 2015

Re: Fundraising and Development Strategy

As part of the 2015 budget process, the Library board asked staff to provide a report on options for investing in a staff or consultant resource to develop and manage an ongoing fundraising program for the Library. It was requested that this report be presented at the March 2015 meeting; however this has been delayed due to the Board appointments process.

There are two potential types of targets for fundraising. The first is as a one-time defined project with a single goal. For example, the Library may wish to buy a piece of equipment or furniture, and raise funds specifically for that purpose, using a reserve account to hold the funds if the purchase is not made within one fiscal year.

The second target is to add revenue into the annual budget to expand services for which ongoing expenditures are required. This entails some risk, in that the revenue may not reach its projections and thus may not make up for the added expenses. However, these risks are mitigated by the availability of operating reserve funds, which the Board can transfer into the operating budget at the end of the year to cover any shortfall. This risk can also be mitigated by applying funds to an expense where spending can fluctuate depending on funds being raised, such as collection acquisitions.

At the 2015 Ontario Library Association conference a session on fundraising was held by staff of the London Public Library and the following learned:

- Individual giving, rather than corporate or major donations, can account for the largest share of revenue; London Public Library raises an average of \$300K per year, of which 75% is donated by individuals.
- Ingredients of a successful fundraising program include:
 - regularly soliciting potential and previous donors;
 - the use of specialized fundraising software to track and solicit donors;
 - targeting non-users as much as users;
 - being specific about the target of donations, but emphasizing the idea rather than the expenditure;
 - allowing donors the option of either restrict their donation to a particular area or project, or directing it to the highest priority needs;
 - ensuring donors receive feedback about what their donation is accomplishing;
 - concentrating on solicitation of donations rather than fundraising events;
 - ensuring library staff can accept donations at any time;
 - including annual and planned giving in a strategy.

It is suggested that the Board consider engaging a contracted consultant to devise and manage such a plan as a pilot project. The option of hiring a contract employee is also possible; however, onsite work space for such an employee may not be available. Given London's population of roughly 366,000 and ability to raise roughly \$300K per year, the top target for Newmarket may be no more than \$60,000 per

year. As London's development staff compliment is one full-time equivalent (FTE), Newmarket may be unable to support more than the equivalent of a 0.25 FTE resource. If a \$60K target can be eventually met, it may be prudent to spend no more than \$30,000 annually on this resource.

If the Board wishes to pursue this strategy within the 2015 fiscal year, it will need to approve spending on the staff resource up front, authorizing an eventual transfer from the Operating Reserve if needed to cover it. In addition, it may need to eventually authorize additional spending of any funds raised within the 2015 operating budget. At the same time, it is recommended that a policy framework be developed in order to ensure accountability, transparency, and fiscal prudence regarding funds raised.

The following motions are recommended:

THAT the Library Board receive the report on Fundraising and Development Strategy.

NEWMARKET PUBLIC LIBRARY BOARD - ACTION TRACKING LIST

Item No.	Target Date	Item description	Assigned action	Status / Date of Completion
9-11a	Ongoing	Policy reviews	<ul style="list-style-type: none"> CEO to bring drafts to Board according to agreed schedule Board to form committee to review Governance Policy and Constitution 	
12-11	May 20 2015	Draft fundraising and development strategy	<ul style="list-style-type: none"> CEO to draft report for initial consideration Board to consider needed resources 	Report drafted for May 20, 2015 meeting
1-12		Consider forming Friends of the Library group	<ul style="list-style-type: none"> Board to consider as related to item 12-11 	Deferred to next Library Board term (motion 13.03-214)
2-13	May 20, 2015	CEO Annual Performance Review	<ul style="list-style-type: none"> Library Board Chair and Vice Chair to prepare and report to Board 	CEO annual review completed June 18, 2014 Interim review completed February 3, 2015 Next review date: May, 2015
1-15	May 20, 2015	Annual Report to the Community	<ul style="list-style-type: none"> CEO to prepare and present to board before release 	
2-15		Library facility and service delivery options	<ul style="list-style-type: none"> CEO to report on related Town community facility plans Board to consider referral to Library-Town Joint Task Force Board to consider capital reserve expenditure on consultant study 	

Item No.	Target Date	Item description	Assigned action	Status / Date of Completion
3-15		Business measurements (including Impacts and Storytelling)	<ul style="list-style-type: none"> Board to review Library Statistical Data report provided monthly in agenda package CEO to revise report as requested CEO to update Board on status of related provincial initiatives as well as Impact Study 	
4-15		Built Accessibility report	<ul style="list-style-type: none"> CEO to draft report 	
5-15	June 17, 2015	Budget projections	<ul style="list-style-type: none"> CEO to draft 5-year projections for operating budget needs 	
6-15		2016 budget	<ul style="list-style-type: none"> Board to provide CEO with guidelines and suggestions CEO to draft budget Board to approve for submission to Council 	
7-15		Collective Agreements	<ul style="list-style-type: none"> Board to provide CEO with negotiation mandate guidelines CEO to engage Town of Newmarket Director of HR as lead negotiator Board to approve agreements 	Collective agreements expired March 31, 2015. No dates set as yet for bargaining.
8-15		Strategic planning	<ul style="list-style-type: none"> Board to decide on strategic planning process when current plan ends in 2016 	
9-15	May, 2016	Vice Chair Position	Library Board members to hold election for Vice Chair position after one year. Vice Chair elect to be a Community member	Election to be held May, 2016

**MEMORANDUM**

To: Newmarket Public Library Board
From: Todd Kyle
Date: June 17, 2015
Re: 5-year operating budget forecast

On the advice of the Finance Department at the Town of Newmarket, the Library has prepared a five-year forecast for its operating budget. A common practice within the Town, this is not meant to determine actual budget submissions but to form the basis for a discussion on the Library's needs.

Each year, the Library submits to the Town a draft budget that represents "status quo", i.e. a budget to maintain service levels as they are. One driver for this budget is the CPI inflation rate, for which the Library typically uses the same figure as the Town as data become available. The projections below do not account for inflationary increases as those are not known at this time.

A second status quo ingredient is provision for growth. As the Town's population grows, pressures increase on the Library to provide the same level of service to more people. According to Development Charges Study figures, Newmarket's population is expected to increase by roughly 5% over the next five years. At the same time, the trend in increase in library use of the past five years can be extrapolated. Borrowing, including e-borrowing, has increased by approximately 7.5% from 2010 to 2014 inclusive, and library membership (cardholders) has increased by approximately 13% over the same period. Thus if we assume a combined rate of population increase and usage increase at a minimum of 7.5%, we can make budget projections as outlined below with a 1.5% increase in the total expenditure in each of the next five years, over and above any inflationary adjustment, in order to maintain service levels.

Note that these figures do not necessarily represent an equivalent increase in the Town's grant which forms the largest part of the Library's funding. Instead, revenue budgets would also be adjusted upwards by at least the same percentage, also reflecting growth in the Library's level of business.

Year	% Increase in base budget request due to growth	Additional growth funding request \$	Total Base Budget Expenses Request \$
2015 (current level)	-	-	3,219,331
2016	1.5	48,290	3,267,621
2017	1.5	49,014	3,316,635
2018	1.5	49,750	3,366,385
2019	1.5	50,496	3,416,881
2020	1.5	51,253	3,468,134

There are two major areas in which these growth increases might be applied. The first is for staffing, to help meet increasing demand for staff assistance, programming and outreach in the area of digital literacy. The other is for electronic collections; increased demand is projected to lead to a need for increased purchasing for items purchased individually (such as eBooks), while increased population served will lead to higher costs for services purchased on a per-capita subscription basis.

In addition to CPI increases, there are other unknown budgetary pressures. It has just been announced that provincial subsidies for electronic resources will be discontinued in 2016; the resulting cost increases have yet to be determined. If Library facilities expand in any way, there may be a need for additional staffing. Finally, any enhancement requests for programs and services, such as increased opening hours, would also affect the budget request increases.

The following motion is recommended:

THAT the Library Board receive the report on the 5-year operating budget forecast.

MEMORANDUM

To: Newmarket Public Library Board

From: Todd Kyle

Date: June 17, 2015

Re: 2016 Budget

The Library is expected to submit draft 2016 budget figures to the Town of Newmarket Finance Dept. by mid-August 2015. As there is no Library Board meeting scheduled in the summer, preliminary figures would typically be submitted by Library staff with the explicit understanding that they are as yet unapproved by the Board. When the draft is presented to the Board at its September meeting, any resulting adjustments can be made immediately.

In order to prepare for the budget submission by staff, the Board typically gives overall input and direction at the June meeting. This report will attempt to present some decision points for the Board in order to guide that input.

2016 operating budget drivers:

The following outlines some drivers affecting the status-quo 2016 budget:

- Economic adjustments for staff. This is unknown at this time, but the CPI increase (inflation rate) was 1.0% for the Toronto CMA in April 2015. Any 2016 increase for unionized staff would have to be negotiated as part of a new Collective Agreement; however, there will at the very least be a need to annualize the 2015 union cost of living increase of 1.9% as it was budgeted only for April-December. For non-unionized staff, an economic adjustment pegged to the Toronto CPI in September is usually applied in January.
- Other inflationary increases. It is unknown as yet whether there will be any inflationary increases to costs such as employee benefits, electronic subscriptions, etc.
- Increases to electronic resource subscription costs due to the loss of provincial subsidies. Staff are currently researching which subscriptions need to be continued and are working with our provincial consortium partners on the associated costs.
- Growth, which a previous report has set at 1.5% of total expenditure. It is predicted that both collections and staff budgets may need to rise by up to 1.5% to maintain service levels.
- Fine revenues continue to decline, with this revenue line being gradually decreased by 3% each year.
- There is scope for increasing revenues, notably in the areas of book sales (including the Green Reads machine) and the net revenue for selling transit tickets.
- There is also the possibility of adding a staff gapping revenue line to capture the savings that may occur should there be a gap between a resignation and the hiring of a replacement employee.

In addition, suggested enhancements to increase service levels are:

- Continuing year-round Sunday opening, costing \$19,248 for 2016. The intention was to consider this in September, using usage figures from this summer.
- Monday opening, estimated at \$164,591 for full-day (9:30am – 9:00pm) service.

2016 capital budget drivers:

According to the 5-year capital forecast presented in 2014, the Asset Replacement Fund (ARF) schedule would indicate requests in three categories: building maintenance (\$26,350), computer hardware/software (\$112,500), and furniture and equipment (\$19,000). However, a review of actual needs is still to be completed and the final numbers may vary from these estimates.

The following motion is recommended:

THAT the Library Board receive the report on the 2016 budget.