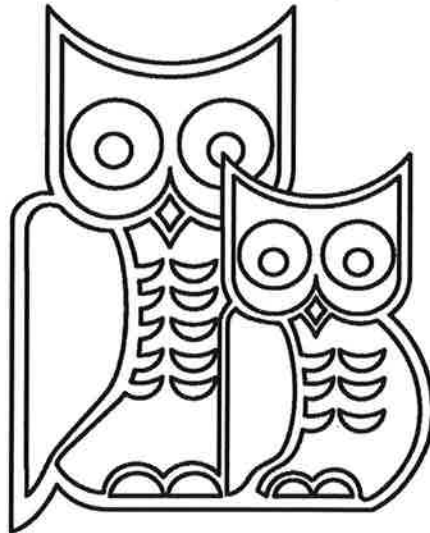


ST. CATHARINES PUBLIC LIBRARY BOARD

PROPOSED 2019 OPERATING BUDGET

EXPLANATORY NOTES
November 1, 2018



K. Smith Curtis
Business & Facilities Administrator

L. Stripnieks
Chief Executive Officer

TABLE OF CONTENTS

	<u>Page</u>
2019 Proposed Operating Budget Highlights	3
• Executive Summary	3
• Revenue	3
• Expenditures	4
2019 Proposed Operating Budget Summary	5
2019 Proposed Operating Budget Breakdown Pie Charts	6
2019 Proposed Operating Budget Details	7
2019 Proposed Operating Budget Expenditures – Explanatory Notes	
• Expenditures Total	8
• Salaries and Benefits	8
• Library Materials	9
• Occupancy Costs	10
• General Library Supplies	12
• Operating Capital	15
2019 Proposed Operating Budget Revenue – Explanatory Notes	
• Revenue Total	17
• Municipal Contribution	17
• Provincial Grant	17
• Miscellaneous Revenue	18
2019 Proposed Operating Budget Reserves – Explanatory Notes	
• Capital Reserve	20
• Stabilization Reserve	21
Attachment 1 – Reserve Policy	22
Attachment 2 – 2017 Annual Report	26

2019 PROPOSED OPERATING BUDGET HIGHLIGHTS

EXECUTIVE SUMMARY

It has been very challenging this year to achieve a balanced budget. Components of the Library's revenues have been stagnant or have declined over the last few years and various costs have significantly increased.

Revenues have only increased 0.35% since 2013 and funding from the City has declined during the last two years. In 2018, the City Contribution will be 3.1% lower than the City Contribution in 2016. Other revenues have also declined primarily due to the increased use of electronic materials resulting in lower fines. Fines have declined almost 30% in the last five years.

Over the same 5 year period, 2013 – 2018, expenses are up 12.0%. The Library is estimating an increase in expenditures in 2018 of 7.6% primarily due to the following;

- Full complement of staff achieved in 2018
- Hiring of contract security personnel for all open hours of the Central Library
- Obligations required by the Collective Agreement

Due to the stagnant revenues and higher costs, the Library is using its Stabilization Reserve to fund operations in 2018 and again in 2019. The Library is unable to meet the funding targets as established in the Reserve Policy approved by the Board of Directors in June, 2018.

REVENUE \$6,274,135

The St. Catharines Public Library Board is requesting a Municipal Contribution of **\$5,622,338** to fund the Library's 2019 Operating Budget. This is an increase of **2.1%** over last year's budget amount as recommended to Council on May 23, 2018 by the Director, Financial Management Services. In addition, the Library is requesting an additional increase of \$110,000 to provide the security.

- The Library is not anticipating an adjustment in the Provincial Grant. This is the 25th consecutive year that the Ministry of Tourism, Culture and Sport has not amended the Provincial Grant.
- The Library is expecting to raise \$176,471 from internal sources including fines and memberships, photocopying, audio visual equipment rentals, meeting room rentals, programming, investment income and sundry accounts. This is an increase of \$12,771 in revenue over the previous year's revenue accounts.
- The Fines & Membership budget has been reduced by \$11,958 to recognize the shortfall in Fines & Memberships in 2019.
- The Library Board is bringing forward an unexpended balance of \$106,725 from the 2018 Operating accounts to support the Proposed 2019 Operating Budget.
- The Library has also included a transfer from the Reserve account of \$140,000 to support 2019 operations. At the end of 2019, it is projected that the Stabilization Reserve will be reduced to approximately \$35,000 well below the target balance of \$620,000.

EXPENDITURES \$6,274,135

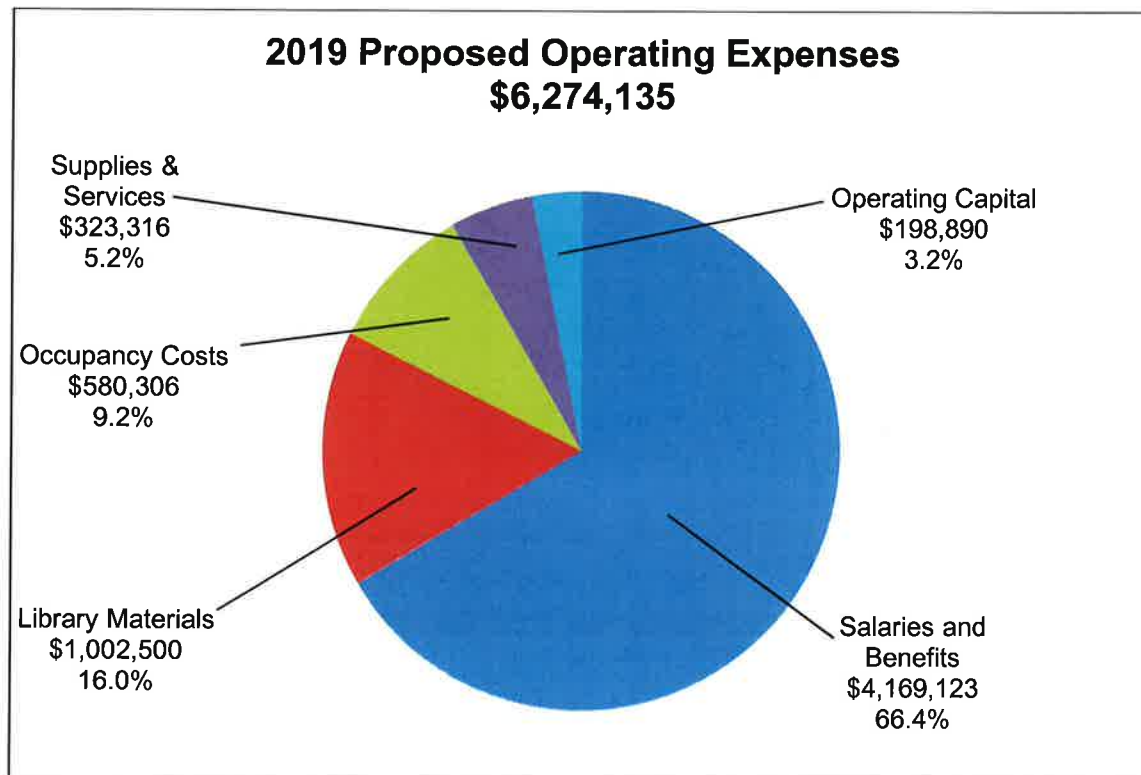
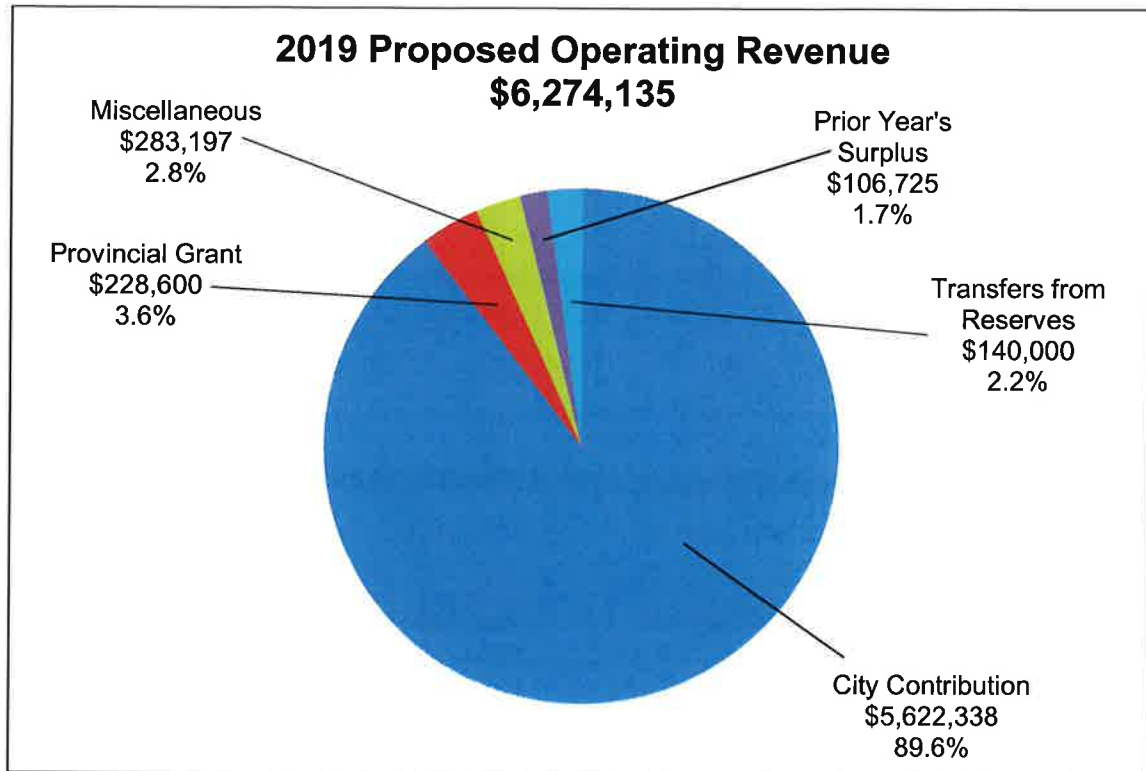
- The four year Collective Agreement between the St. Catharines Public Library and CUPE Local 2220 was approved in 2015 and expires on December 31, 2018. A wage settlement of 1.75% has been incorporated into this year's Operating Budget as per City guidelines.
- The Library will spend approximately \$3,418,537 on Salaries in 2019, an increase of \$75,737 or 2.3% over the previous budget amount as the budget assumes a full complement of staff.
- The Ontario Municipal Employees Retirement System (OMERS) announced no changes in pension contribution rates for 2019. The cost to provide pension benefits to library personnel in 2019 is approximately \$257,162 annually.
- There will now be two employees who have reached 35 years of credited service under the current OMERS retirement plan. No contributions are required for these employees which results in a \$13,700 savings to the Library.
- The cost to provide existing employee benefits has increased by approximately \$27,700 or 3.8% over the previous year.
- The Library Board is expecting to spend approximately \$4,169,123 on Salaries and Benefits in 2019, an increase of 2.5% or \$103,423 over the 2018 Budget.
- Although the average list price for materials has increased 2.7% in 2018, the Library Materials budget will not be increased over last year's allocation of \$1,002,500.
- An expense of \$60,176 is included in the 2019 Operating Budget to cover salaries and benefits for Sunday openings at Centennial and Dr. Huq Branches.
- A provision of \$38,000 is being made to the Furniture and Equipment budget in order to replace old, obsolete or non-ergonomic furniture throughout the Library system.
- A provision of \$20,000 is being made to comply with the Accessibility for Ontarians with Disabilities Act 2005 (AODA).
- A provision of \$78,240 has been made to finance the Debenture principle payment for the Dr. Huq Branch Library at the Kiwanis Aquatic Centre. The debenture debt as at December 31, 2019 will be \$1,071,054 outstanding. This is an increase on the principal payment of \$2,980 annually.
- Overall, the Library's proposed 2019 Operating Expenditures have increased by 1.3% over the 2018 Operating Expenditure Budget.

ST. CATHARINES PUBLIC LIBRARY

2019 Proposed Operating Budget

Summary

	% of Total Budget	2019 Budget	2018 Budget	2018 Estimate	% Difference Budget to Budget
<u>Revenue</u>					
City Contribution	89.6%	5,622,338	5,398,960	5,398,960	4.1%
Provincial Grant	3.6%	228,600	228,600	228,600	0.0%
Miscellaneous Revenue	2.8%	176,472	163,700	180,348	7.8%
Prior Year's Surplus	1.7%	106,725	150,000	149,996	-28.8%
Transfers from Reserves	2.2%	140,000	250,000	233,356	-44.0%
TOTAL REVENUE	100.0%	6,274,135	6,191,260	6,191,260	1.3%
<u>Expenditures</u>					
Salaries and Benefits	66.4%	4,169,123	4,065,700	3,956,281	2.5%
Library Materials	16.0%	1,002,500	1,002,500	1,002,500	0.0%
Occupancy Costs	9.2%	580,306	609,360	614,203	-4.8%
Supplies & Services	5.2%	323,316	298,200	300,151	8.4%
Operating Capital	3.2%	198,890	215,500	318,125	-7.7%
TOTAL EXPENDITURES	100.0%	6,274,135	6,191,260	6,191,260	1.3%

2019 PROPOSED OPERATING BUDGET BREAKDOWN

ST. CATHARINES PUBLIC LIBRARY
2019 Proposed Operating Budget

	% of Total Budget	2019 Budget	2018 Budget	2018 Estimate	2019 Variance
<u>REVENUE</u>					
City Contribution	89.6%	5,622,338	5,398,960	5,398,960	223,378
Provincial Grant	3.6%	228,600	228,600	228,600	-
Fines/Membership	1.2%	74,042	86,000	78,615	- 11,958
Photocopying	0.1%	4,885	5,100	4,686	- 215
AV Services Equipment	0.0%	1,590	1,100	1,537	490
Investment Income	0.8%	50,750	28,500	50,944	22,250
Meeting Room Rentals	0.2%	10,940	11,000	10,765	- 60
Sundry	0.4%	26,113	22,000	25,266	4,113
Programs	0.1%	8,151	10,000	8,535	- 1,849
Prior Year's Surplus	1.7%	106,725	150,000	149,996	- 43,275
Transfer from Reserve	2.2%	140,000	250,000	233,356	- 110,000
TOTAL REVENUE	100.0%	6,274,135	6,191,260	6,191,260	82,875
<u>EXPENDITURES</u>					
<u>Salaries & Benefits</u>					
Total Salaries & Benefits	66.4%	4,169,123	4,065,700	3,956,281	- 103,423
<u>Library Materials</u>					
Books Processing	10.4%	650,000	650,000	650,000	-
Visual Materials	0.4%	24,000	24,000	24,000	-
Microfilm	1.5%	92,000	92,000	92,000	-
Periodicals	0.2%	15,000	15,000	15,000	-
Sound Recordings	2.8%	175,000	175,000	175,000	-
Binding	0.7%	43,000	43,000	43,000	-
Binding	0.1%	3,500	3,500	3,500	-
TOTAL LIBRARY SUPPLIES	16.0%	1,002,500	1,002,500	1,002,500	-
<u>Occupancy Costs</u>					
Utilities	3.6%	225,700	243,000	225,700	17,300
Insurance	0.5%	30,917	29,500	29,000	- 1,417
Rent/Taxes	1.8%	113,054	118,200	118,200	5,146
Repairs & Maintenance-Building	2.4%	148,268	141,100	161,740	- 7,168
Repairs & Maintenance-Grounds	0.1%	7,700	2,900	2,900	- 4,800
Communications	0.6%	39,507	39,500	40,413	- 7
Security	0.2%	15,160	35,160	36,250	20,000
TOTAL OCCUPANCY COSTS	9.2%	580,306	609,360	614,203	29,054
<u>Library Supplies & Services</u>					
Library Supplies	0.7%	41,720	40,500	40,500	- 1,220
Electronic & Peripheral Supplies	0.1%	4,200	4,300	3,551	100
Professional Fees	0.7%	43,900	27,200	27,102	- 16,700
Staff Training & Development	0.3%	18,300	17,500	17,500	- 800
Rental of Equipment	0.2%	9,737	9,400	9,400	- 337
Repairs & Maintenance-Equipment	2.1%	133,560	131,300	133,507	- 2,260
Transportation	0.4%	25,700	25,000	25,532	- 700
Sundry	0.1%	3,500	3,500	3,257	-
Printing & Stationary	0.0%	2,000	2,000	1,800	-
Public Relations	0.2%	12,000	8,800	9,152	- 3,200
Account Collection	0.0%	1,000	1,000	1,000	-
Programs	0.1%	9,300	9,300	9,450	-
Data Processing	0.3%	18,400	18,400	18,400	-
TOTAL SUPPLIES & SERVICES	5.2%	323,316	298,200	300,151	- 25,116
<u>Operating Capital</u>					
Furniture & Equipment	0.6%	38,000	40,000	40,000	2,000
Facility & Systems Enhancements	1.0%	62,650	75,150	75,150	12,500
Debt/Debt-Aquatic Centre	1.2%	78,240	75,350	75,350	- 2,890
Accessibility Improvements	0.3%	20,000	25,000	20,900	5,000
Reserve Contributions	0.0%	-	-	106,725	-
TOTAL CAPITAL COST	3.2%	198,890	215,500	318,125	16,610
TOTAL EXPENDITURE	100%	6,274,135	6,191,260	6,191,260	- 82,875

2019 PROPOSED OPERATING BUDGET EXPENDITURES EXPLANATORY NOTES

EXPENDITURES TOTAL - \$6,274,135

SALARIES AND BENEFITS - \$4,169,123

In 2019, the Salaries and Benefits budget will increase by 2.5% or \$103,423 over the previous year.

Salaries and Wages – \$3,418,537

This budget includes all compensation programs for salary and wage adjustments, merit increments and government legislated minimum wage programs that are provided to professional, non-professional, maintenance employees and student pages. The Library will spend approximately \$3,418,537 on Salaries in 2019, an increase of \$75,737 or 2.3% over the previous budget amount.

A four year Collective Agreement was signed by the St. Catharines Public Library and CUPE Local 2220 in 2015. The agreement provided for a salary/wage adjustment in each of the following four years (2015 – 2018). In 2019, negotiations will occur and the budget estimate includes a 1.75% wage increase for professional, non-professional and maintenance staff.

Security

Based on the monthly charges in 2018, an amount of \$110,000 has been added to the Salaries budget to allow for provision of security services at the 54 Church St. location. This has been requested as a portion of the Municipal Contribution for 2019 and add about 2% overall to the Library's expenditures.

Page Rates

The Ontario government has announced the intention to cancel the proposed minimum wage increase that would have been effective on January 1, 2019. As such, the average hourly rate has been budgeted at \$13.15, the same as 2018. Pages with one year of service are paid 50 cents per hour above the minimum wage rate. In order to operate all branches, the Library will utilize 11,748 page hours for an expense of \$160,989. This is a reduction of 9.2% as fewer page hours are being required in Circulation and on Sundays.

Employee Benefits - \$750,586

Employee Benefits includes all government legislated deductions such as CPP, EI, WSIB, EHT, as well as non-legislated group benefits including OMERS Pension Plan, Health, Dental, LTD, AD&D and Group Life insurance premiums.

The OMERS Pension Plan provides pension benefits to all full-time Library employees as well as eligible part-time employees who choose to participate in the pension fund. In 2019, the Library anticipates spending approximately \$257,162 on contributions to employees' pensions based on gross pensionable earnings. There will be 2 full-time employees who have attained the maximum of 35 years of credited service who will no longer be required to make pension contributions. This translates into a savings of \$13,683 annually.

The Library's group benefits policy with Great West Life renews each year on April 1. The policy covers extended healthcare, dental and long-term disability benefits for all full-time employees as well as eligible retirees. The Library has been advised by BHH Benefits Consultants to anticipate a 12% increase in dental premiums and a 10% increase in extended healthcare premiums due to increases in the marketplace. As a result of full-time employees 65 years of age and older, the Library is able to realize savings on CPP, LTD and health and dental premiums of approximately \$16,761 annually. The Library is projecting an increase of approximately \$27,700 or 3.8% to provide all employee benefits (both legislated and non-legislated) in 2019.

LIBRARY MATERIALS - \$1,002,500

The Library Materials budget will not be increased over last year's allocation of \$1,002,500. The average list price for materials increased 2.7% in 2018.

The Library Services Centre (LSC) provides pricing trends to public libraries across Canada. The report that LSC produces is a statistical analysis of the cost of acquiring library materials for the current year. The report has indicated that prices will continue to increase even if inflation is low. Normally the overall average is a good single benchmark. However, this year there was a change in mix of material with relatively more juvenile material entering the average than in the previous years. This means the combined adult/juvenile value declined while the adult and juvenile values actually increased (see below). Last year LSC predicted that prices would increase well above the rate of inflation. Inflation in Canada was very low and library material was either at the rate of inflation (juvenile material) or well above the rate of inflation (adult Material).

List Price of Average Material 2018:

Average list price	\$25.03
Change From Previous Year	2.7 %

List Price of Average Material by Intellectual Level in 2018:

Type of Material	Average list price	Change From Previous Year
Adult	\$29.33	1.5%
Juvenile	\$18.31	2.1%

2019 Library Materials Budget

Library Materials	2019	2018	Adjustment
Books	650,000	650,000	0
Processing	24,000	24,000	0
Visual Materials	92,000	92,000	0
Microfilm	15,000	15,000	0
Periodicals	175,000	175,000	0
Sound Recordings	43,000	43,000	0
Binding	3,500	3,500	0
Total	\$1,002,500	\$1,002,500	\$0

OCCUPANCY COSTS - \$580,306
Utilities - \$225,700
Natural Gas - \$30,958

The Ontario Energy Board (OEB) approved new rates effective October 1, 2018. The new rates include a reduction due to the cancellation of the Cap & Trade Program as well as increases to the forecasted price of natural gas.

The Natural Gas budget has been decreased 18.9% over the 2018 budget amount due to the lower cost of natural gas and the rate of use in 2018.

Electricity - \$186,673

Large Use customers are charged for their electricity based on the spot market price as established hourly by the Independent Electricity System Operator (IESO).

The Alectra Utilities Delivery rates, Transmission rates and Adjustment Factor will likely change effective January 1, 2019.

Water - \$8,069

The City's current Water and Wastewater rate structure is a combination of fixed and volumetric charges. The fixed portion is calculated to recover the costs of the Watermain and Sewer Replacement program budgets and the rest of the costs are recovered through the rate portion. There is a shared responsibility for the treatment and distribution between the City and the Region. The City acts as a wholesaler in the distribution of water to the consumer. Water billing rates are comprised of a customer charge, a consumption charge and a sewer charge.

Insurance - \$30,917

The insurance premiums paid to HUB International Ontario Limited covers the cost to replace all property and assets owned by the Library Board in case of fire and water damage, including the boilers and mechanical equipment. The total insurance coverage for the library system is \$39,095,900 with a total deductible of \$2,500 in any one claim. In an effort to reduce the cost of insurance premiums, the City of St. Catharines provides the Library with the following coverage: Vehicle, Crime policy, Liability, Municipal Accident Property and Conflict. The Library reimburses the City of St. Catharines for the actual cost of the premiums paid on the Library's behalf. The budget for 2019 for Insurance is \$30,917 which represents a \$1,400 increase over the previous year's budget allocation. The premium allocation by branch is below:

Centennial	Huq	Merritt	Port	Total
\$ 23,396	\$ 4,168	\$ 2,736	\$ 617	\$ 30,917

Rent & Taxes - \$118,200
Centennial Library

A lease agreement was signed between the City of St. Catharines and the St. Catharines Public Library extending the lease at Centennial Library until December 31, 2017. The Library and the City are in the process of developing a Service Level Agreement to be put in place as part of a new lease agreement. No change is anticipated in the financial arrangements in the new lease.

Dr. Huq Family Branch

The interest expense of \$47,690 relating to the annual debenture payment has been included in the 2019 Rent and Taxes Budget. The auditors classify the interest payment as a general operating expense and not a capital operating expense on the annual audited statement.

William Hamilton Merritt Branch

Effective April 1, 2016 the Library Board and 7724969 Canada Inc. (oneREIT) agreed to a lease extension of five years. The fixed annual rent will be based on \$9.50 per annum per square foot of rental area of the leased premises. There is no increase in the base rent over the previous lease agreement.

Port Dalhousie Branch

The Port Dalhousie Branch Library is located at 23 Brock Street and is leased from the City of St. Catharines for an annual rental payment of \$600. The branch is approximately 1000 square feet in size and is located next to the Seniors Community Centre.

Repairs & Maintenance – Building - \$148,268

This expense includes preventative maintenance programs including mechanical and electrical contracts and general repairs for all four locations. The preventative maintenance programs play a vital role in ensuring the health and safety of the public and employees, minimizing the downtime of building equipment and maintaining a high level housekeeping standard.

E.S. FOX continues to provide technical support and maintenance for the HVAC environmental system at the Centennial Library at a cost of \$52,469 annually. In order to control the spread of Bed Bugs throughout the system, an allocation of \$6,600 has been incorporated into the 2019 Budget for the purpose of providing a Bed Bug Control program.

The Repairs and Maintenance Budget has been increased by \$7,168 over the 2018 allocation. Several items explain most of the variance including:

Increase in E.S. Fox as per contract	\$1,500
Elevator service due to age	\$1,750
Budget for false alarms	\$1,300
Higher glass repairs	\$1,100
Higher costs for cleaning supplies	\$1,500

Repairs & Maintenance – Grounds - \$7,700

This expense relates to the acquisition of goods and services related to repairs to outdoor lighting, bicycle racks, the exterior fountain located in the Library plaza, as well as the removal of graffiti. In recent years the Library has seen an increase in vandalism and property damage at the downtown location.

The Repairs & Maintenance Grounds Budget has increased by \$4,800 for graffiti removal as the City has requested that the Library use the same company they have contracted for this service. The Maintenance team performed this service in the past.

Communications - \$39,507

This expense is for the telephone system, network telecommunications, and fax costs. The Library's Internet service and inter-branch fibre optic network service for the 4 locations is purchased from the Niagara Regional Broadband Network. The annual cost for the Internet service will be \$3,665 per location. The Library also upgraded its inter-branch fibre optic network from 10Mbps to 100Mbps for an annual cost of \$1,500 per location. The 5 year agreement covers both services and will expire in 2019 with an option to renew for an additional 5 years based on mutual agreement.

Preventative maintenance for the fibre-optic network equipment and phone equipment is also provided by Activo. This maintenance program costs the Library approximately \$7,500 and is essential in keeping the network communication system functioning at maximum efficiency. The Communications budget for 2019 is \$39,507; no change from the 2018 budget.

Security - \$15,160

The Security/Maintenance staff performs regular caretaking duties and assists with a busy meeting room schedule by setting up meeting rooms that are rented by non-profit groups and organizations. In addition, they play a role in providing security to the property. This budget provides 835 hours throughout the year to address acts of vandalism, destruction of property and equipment and assist security personnel to control unacceptable behavior.

GENERAL LIBRARY SUPPLIES– \$323,316

Library Supplies - \$41,720

This expense contains funding to acquire the general office products and goods and services to support the work of the library system. The primary expenditures include copier paper, print cartridges, membership cards and microfilm toner. The vendors of general office products have indicated that in 2019 they anticipate an inflationary price increase of approximately three to five percent over the current price structure.

The Library Supplies Budget has been increased by \$1,200 to allow for the anticipated price adjustments passed on by the vendors.

Electronic and Peripheral Supplies - \$4,200

The Electronic and Peripheral budget covers cost related to the purchase of electronic products such as printers, keyboards, barcode scanners, UPS devices, as well as supplies such as batteries, projection lamps and other related consumables for use throughout the library system. There is a \$100 decrease in this proposed budget item.

Professional Fees - \$43,900

The Professional Fees primarily covers the cost of the annual audit, legal and labour relation matters relating to the Collective Agreement and other professional services that the Library contracts during the fiscal year. The four year Collective Agreement with CUPE Local 2220 expires on December 31, 2018. The Library has spent an average of \$15,000 annually for legal services to achieve an agreement with CUPE. This has been added to this year's budget.

This expense also includes the membership fee for the Federation of Ontario Public Libraries (FOPL). FOPL lobbies all levels of government (Provincial and Federal) on behalf of public libraries, facilitates purchasing, conducts research relevant to library services and use as well as marketing and advocacy. The membership fee is based on population served.

The auditing firm of Crawford, Smith & Swallow has resigned from the annual audit. A new firm is being found through a tender issued by the City and this includes audit services for the Library. The 2018 budget for the annual audit was \$8,000 and an additional \$1,500 has been allowed for the transition to a new firm.

Audit	\$ 9,500
Legal Matters	\$29,400
Memberships (FOPL)	<u>\$ 5,000</u>
	\$43,900

Staff Training and Development - \$18,300

For 2019, an allocation of \$18,300 has been committed in order to maintain a skilled and technologically proficient workforce. It is essential that the Library fund on-going training. Advances in information technologies, growth of digital information resources, development of social networking and other software and communication platforms require constant training.

Rental of Equipment – \$9,737

This budget cost covers the expenditures related to the lease and rental of equipment such as mailing equipment, five photocopiers, debit machine fees, and a license agreement with the Canadian Copyright Licensing Agency. The copyright agency was established by the Federal Government to collect fees on behalf of authors and businesses that allow photocopying of copyright materials. The annual fee for providing this service is \$544 including taxes. The budget for Rental of Equipment has increased \$330 (3.6%) over the previous year.

Repairs and Maintenance – Equipment - \$133,560

This budget covers expenditures relating to preventative maintenance services contracted by the Library including office equipment and several software licensing and maintenance agreements. The major expenditure in this budget is the annual maintenance fee of \$71,255 paid to SirsiDynix to service the Integrated Library System (ILS).

The Library in 2017 purchased the NovelBranch and Hold-IT Lockers and for 2019 the Library needs to budget an addition \$6,043 for the annual maintenance for the new equipment.

Library maintenance personnel continue to do a considerable amount of repair and cleaning work internally which reduces the cost of repairs and maintenance.

The Repairs and Maintenance Equipment budget has been increased by \$2,260 annually or 1.7% over the 2018 budget mainly due to the Moneris equipment fees for new debit/credit terminals.

Transportation – \$25,700

Funds in the Transportation account are used to cover expenses incurred for postage, mileage, inter-branch delivery and commercial courier services.

The majority of mail generated by the Library consists of overdue notices, the Library's bi-monthly newsletter "What's New", accounts payable cheques and accounts receivable billings. Staff continues to use the internet as a more effective means to exchange communication/information. The Library's postage costs are expected to decline in 2019 and the Postage budget reduced by \$500 annually.

Employees are reimbursed by the Library whenever they use their personal vehicle for Library-related business. It has been the practice of the Library to align its mileage rate with that of the City of St. Catharines. City staff now use Canada Revenue Agency's prescribed rate. The current CRA automobile allowance rate is 55¢ per kilometre. The average cost for mileage for the system is \$3,420 annually

Inter-branch delivery of Library material and mail is performed by staff working in the Maintenance department. This is made possible through the use of a surplus utility van acquired from the City of St. Catharines. The van is approximately 16 years old. An amount of \$17,710 has been budgeted to cover the costs of inter-branch delivery, repairs, insurance and fuel.

The 2019 Transportation budget has increased by \$700 due largely higher anticipated vehicle expenses as the van ages.

Sundry - \$3,500

The Sundry Budget supports the acquisition of miscellaneous expenditures and other goods and services not acquired on a regular basis. The types of expenses charged to this account include donations, Physicians forms, retirement presentations, special meetings and interlibrary loan charges. The 2019 Sundry budget has not changed from 2018.

Printing and Stationery - \$2,000

The 2019 Printing and Stationery budget has not changed from 2018. This account provides funding to purchase print and stationary products used to produce a wide variety of materials that publicize and market various library collections, services and programs and includes: bi-monthly newsletters; fiction, non-fiction, large print and DVD best seller lists. The Library continues to use the City of St. Catharines printing services which help to realize considerable cost savings in printing expenses for the Library.

Public Relations - \$12,000

The Public Relations budget finances a wide variety of activities centered on Library programs and marketing strategies. Materials produced include a bi-monthly newsletter- What's New @ The St. Catharines Public Library, subject guides, best seller lists, program flyers, finding aids, homework help materials, online resource searching guides and several other brochures used to promote the Library's services.

This year's Public Relations budget has been increased by \$3,200 as the Board has asked for a higher budget for promotions.

Account Collection - \$1,000

The Account Collection Budget covers the cost to pay for the collection of fines in arrears and recover past due library materials from delinquent accounts. Unpaid accounts of \$10 or more are forwarded to a collection agency and a \$11.30 fee is added to all outstanding accounts. Two telephone calls are made by the collection agency in attempt to collect the outstanding payment. When a patron does not respond to the pre-collection phone calls, the next phase involves more activity including up to four phone calls and eight letters, as well as posting debts larger than \$100 with the Credit Bureau affecting their personal credit rating.

Based on 2018 statistics, it is projected that the Library will recover approximately \$21,710 in fines and materials using this collection method.

Programs - \$9,300

The Library offers a wide variety of programs for the community and for all age groups. Most programs are free of charge but some are offered at either a cost-recovery charge or for a small fee. In most cases fees are charged to defray the cost of the program and to pay for the delivery of the program. The Programs budget has not increased over the previous year.

Data Processing - \$18,400

The Library uses the City's financial software applications, which reside on the City's network, to produce a bi-weekly payroll, process and maintain financial records and produce and provide reports. The Library is able produce internal monthly reports, including general ledger and trial balance as well as other financial reports at a substantial savings. The fee The 2019 budget has remained at the same level as 2018.

OPERATING CAPITAL - \$198,890
Furniture and Equipment - \$38,000

A provision of \$38,000 has been allocated for the replacement of items such as chairs, desks, book trucks, printers, shelving and other miscellaneous items at all four branches. The Library presently has 150 computer workstations in the system and \$20,000 has been allocated in the 2019 budget to replace 13 of these stations.

Facility and System Enhancements - \$62,650

In preparing this year's Facility and Systems Enhancement budget, staff referred to the Centennial Library Condition Report prepared by the firm of Totten Sims Hubicki Associates, Engineers, Architects, and Planners. This study covered the overall condition of the Centennial Library with respect to the building envelope (exterior walls), the mechanical and electrical systems and architectural aspects of the Library. This year's budget identifies the repairs and upgrades required to maintain the facility and in addition, a budget has been established to update the condition assessment report.

Debenture Debt – Aquatic Centre - \$78,240

On June 19, 2008 the Library Board approved the expenditure of \$1,760,000 to build a branch library in the Kiwanis Aquatic Centre located at Pearson Park. The City of St. Catharines has advised the Library that the debenture estimated annual repayment schedule will be amortized over twenty years with an annual payment of \$126,429.82 with an interest rate of 3.8% annually for the life of the debenture. The debenture debt as at December 31, 2019 will be \$1,071,053.97 outstanding.

The interest expense of \$47,689 relating to the annual debenture payment has been transferred to the Rent and Taxes Budget in 2019. The auditors classify the interest payment as a general operating expense and not a capital expense on the annual audited statement.

Accessibility Improvements - \$20,000

On July 13, 2005 the *Accessibility for Ontarians with Disabilities Act, 2005* (AODA) received Royal Assent and is now law. This Act applies to every person or organization in the public sectors of the Province of Ontario. The purpose of the AODA is to benefit all Ontarians by developing, implementing and enforcing accessibility standards in order to achieve accessibility for all Ontarians with disabilities by 2025.

The City conducted an accessibility audit of all buildings owned by the Municipality including the Centennial Library and the Port Dalhousie Branch. This year's budget includes funding that would address the remaining deficiencies. This is part of a five-year funding strategy until all the identified deficiencies have been corrected or improved.

The Library has allocated \$20,000 in this year's budget to comply with Facilities Accessibility improvements established by the Provincial Government.

2019 OPERATING CAPITAL BUDGET

OPERATING CAPITAL BUDGET	Centennial	Dr. Huq	Merritt	Port	Total
FURNITURE & EQUIPMENT	\$ 23,100	\$ 3,800	\$ 10,800	\$ 300	\$ 38,000
FACILITY & SYSTEM ENHANCEMENTS					
Centennial – Condition Assessment Report	25,000				25,000
Centennial – Electrical upgrades/Repairs	7,500				7,500
Centennial – Roof /Repairs	5,000				5,000
Centennial – Hardware/Locks	3,000				3,000
Centennial – Maintenance Equipment	3,000				3,000
Centennial – Security Camera's	7,500				7,500
Merritt-Interior Painting/Repairs			10,000		10,000
Port Dalhousie-Handicapped Ramp Repair				1,650	1,650
Facility & System Enhancements Total	51,000	-	10,000	1,650	62,650
DEBENTURE DEBT					
Dr. Huq Branch Library - Principal	78,240				78,240
Facility Accessibility Improvements	20,000				20,000
TOTAL OPERATING CAPITAL	\$ 172,340	\$ 3,800	\$ 20,800	\$ 1,950	\$ 198,890

**2019 PROPOSED OPERATING BUDGET
REVENUE - EXPLANATORY NOTES**

REVENUE TOTAL – \$6,274,135

MUNICIPAL CONTRIBUTION - \$5,622,338

The City of St. Catharines is the major source of funding for the St. Catharines Public Library system. The City provides 89.6% of the funding needed to maintain the facilities, equipment, collections, services and programs. In 2018, the Library received a \$250,000 decrease over the initial request for funding to City Council. This amount was funded using Library Reserves.

In 2018, the City of St. Catharines ratepayers spent \$4.96 per \$100 in support of the Library and the average household support to operate the Library system in 2017 was \$71.88 annually.

A study by the Martin Prosperity Institute completed in conjunction with the Toronto Public Library (TPL) in 2013 measured the economic value to the city provided by TPL. Several other libraries have applied this methodology to their own community libraries. This is in development for the St. Catharines Public Library and should be completed in 2019. For the economic value studies completed so to date, the average impact to the community for each \$1 spent on the local library is \$5.57 and the average return on investment 437%.

The Library Board is requesting a Municipal Contribution of \$5,628,960 which is an increase of 2.1% over the previous year as per recommendation to Council on May 23, 2018 by the Director, Financial Management Services. In addition, the Library is requesting \$110,000 to fund the enhanced security measures that become necessary in 2018 which is a further 2%.

Municipal Contribution					
	2019	2018	2017	2016	2015
Municipal Contribution	\$5,622,338	\$5,398,960	\$5,491,200	\$5,572,035	\$5,488,825
	4.1%	-1.7%	-1.5%	1.5%	1.3%

PROVINCIAL GRANT - \$228,600

Each year the Province of Ontario, through the Ministry of Tourism, Culture and Sport, provides the Library Operating Grant. The Ontario Government is committed to the public library system and recognizes the valuable information and services that libraries provide to the public. In 2018, the Province of Ontario provided 3.7% of the funding for the St. Catharines Public Library Operating Budget.

The Ministry has not advised the library community of any changes in the Grant for 2019. There has been no change in the Grant for over twenty five years.

MISCELLANEOUS REVENUE - \$423,917
--

Fines and Memberships - \$74,042

Revenue from Fines and Memberships accounts for an estimated 1.2% of the total revenue generated throughout the system. The revenue collected is from fines, replacement of membership cards as well as non-resident membership fees.

A Non-Resident membership fee of \$75.00 is charged to all patrons wishing to borrow materials and who are not residents or property owners of St. Catharines. There are approximately 105 non-residents memberships registered annually and that generates a revenue of \$9,000 to support the operating budget.

The revenue collected from fines and memberships in 2019 is estimated to be \$74,042. This is a decrease of \$11,958 over the previous year's budget.

	2019 Budget	2018 Estimate	2017 Actual	2016 Actual	2015 Actual
Fines	65,043	69,096	72,896	79,246	82,869
Membership	8,999	9,518	10,346	10,630	11,253
Total	\$74,042	\$78,615	\$83,242	\$89,876	\$94,122

Photocopying - \$4,885

Coin-operated photocopiers are provided for patrons use at three branches, excluding Port Dalhousie at a cost of 20 cents per copy. On average, patrons are photocopying 23,400 documents annually. Patrons can now e-mail materials to their homes and businesses can search the library data base remotely and print the material off-site avoiding any photocopying charges. An increase in photocopying revenue was realized in 2018.

	2019 Budget	2018 Estimate	2017 Actual	2016 Actual	2015 Actual
Central	3,209	3,147	2,939	2,914	2,969
Dr. Huq	890	802	711	654	583
Merritt	785	738	661	713	625
Total	\$4,885	\$4,686	\$4,312	\$4,281	\$4,178

Audio-Visual Services Equipment - \$1,590

The Library provides audio-visual equipment for a fee to patrons and other community groups who rent the Library meeting room facilities. The rental service provides LCD and overhead projectors, screens, televisions and a PA system. The use for the AV equipment is tied to the volume of room rentals at the Centennial Library.

	2019 Budget	2018 Estimate	2017 Actual	2016 Actual	2015 Actual
Central	\$1,590	\$1,537	\$1,790	\$2,110	\$1,245

Investment Income - \$50,750

Investment income is earned through the unexpended balance in the general bank accounts at the TD Canada Trust, the Library's main banking institution. In 2018 returns have been much stronger and in 2019, the Investment Income budget has increased over the previous year's allocation of \$27,500 annually.

	2019 Budget	2018 Estimate	2017 Actual	2016 Actual	2015 Actual
Investment Income	\$50,750	\$50,944	\$43,982	\$34,149	\$35,756

Meeting Room Rental - \$10,940

The Library provides meeting room space for educational, cultural and non-profit organizations at Centennial, Dr. Huq and Merritt branches. The rooms are rented in blocks of time (i.e. morning, afternoon, evening) and are very well used. The amount budgeted is consistent with 2018.

	2019 Budget	2018 Estimate	2017 Actual	2016 Actual	2015 Actual
Room Revenue	\$10,940	\$10,765	\$9,463	\$10,625	\$10,420

Sundry Revenue - \$26,113

The Sundry revenue account is an accumulation of a number of miscellaneous accounts. These include charges for reference research, computer printouts, microfilm copies, sale of equipment and Café rental. Also included are the fees for flipcharts, lecterns, use of the piano and rental of coffee urns all used in the meeting rooms. Approximately 71.6% of the sundry revenue comes from the fees charged for computer printouts. The new addition to the revenue stream is 3D printing.

	2019 Budget	2018 Estimate	2017 Actual	2016 Actual	2015 Actual
Sundry Revenue	\$26,113	\$25,266	\$33,618	\$20,230	\$19,802

Programming - \$8,151

The Library provides a wide variety of programs for all age groups. Program fees are charged in an effort to defray the cost of providing these programs. In 2006, the Library Board approved a policy to eliminate fees for Books for Babies, Toddler Time and Pre-School Time but there are a number of non-literacy development programs for which a fee is still levied. The increase in revenue is a result of the expansion of adult programming.

	2019 Budget	2018 Estimate	2017 Actual	2016 Actual	2015 Actual
Programming Revenue	\$8,151	\$8,535	\$8,024	\$9,433	\$7,727

Prior Year's Surplus - \$106,725

The estimated unexpended balance for 2018 is approximately \$106,725 and has been brought forward from the 2018 Operating accounts to support the 2019 St. Catharines Public Library Operating Budget.

2019 PROPOSED OPERATING BUDGET RESERVES - EXPLANATORY NOTES

At the Special Council Meeting on December 18, 2017 questions were raised with respect to the Library's Reserve account, its funding and the utilization of the funds. This resulted in a recommendation adopted on March 27, 2018 that each agency, board and commission approve a reserves policy and that Council receive an annual report on reserves.

This section of the budget information has been developed in response to the direction of Council. At the Library Board meeting on June 21, 2018, the Board approved a policy on Library Reserves. The policy is attached to this document as Attachment 1.

Reserve Name	Capital Reserve	Stabilization Reserve
Target Balance	Maximum balance of 10% of the total estimated replacement cost of insured Library assets \$3,909,590	Maximum 10% of annual operating budget \$619,126
Balance - Sept 30, 2018	\$3,568,380	\$424,983
Target Balance Shortfall	\$338,210	\$194,143

CAPITAL RESERVE

As noted above, the Capital Reserve provides the Library sufficient funding for substantial maintenance and upgrading of Library facilities as well as condition assessment reports and feasibility studies. Over the 18 year period from 1999 – 2017, the Library used the Reserve Account to fund many significant projects. The Board has approved motions for a total of \$3,870,000 to be spent on upgrades to facilities, IT infrastructure and furniture and equipment.

Over the next five years, the Centennial Branch requires significant upgrading in terms of its facilities. The following items are the more significant ones that will require replacement or upgrading:

- Elevator and dumbwaiter (part of the original construction)
- Roof (replaced in 1999)
- HVAC (replaced in 2003)
- Flooring (replaced in 2001)

These replacements and upgrades will significantly impact the balance in the Capital Reserve account. Due to the utilization of Reserve funds to support the operating budget, the Library will not be able to fund the Capital Reserve as required by the policy until 2022. The following chart is a continuity of the Capital Reserve for the next 5 years.

Capital Reserve - 5 Year Forecast

	2019	2020	2021	2022	2023
Reserve balance	\$3,346,657	\$2,555,008	\$950,487	\$690,707	\$683,666
Contribution from Operating		195,480	293,219	390,959	390,959
Contribution from Retained Savings					
	-	195,480	293,219	390,959	390,959
Furniture and Equipment	20,000	20,000	20,000	20,000	20,000
Flooring Replacement (system wide)	279,000	150,000	11,000	-	-
Computer Equipment	20,000	75,000	20,000	20,000	20,000
Facility System Enhancements	67,650	50,000	50,000	40,000	40,000
Maintenance Equipment	-	5,000	2,000	3,000	-
Elevator/Dumbwaiter	295,000	-	-	-	-
Centennial Roof	-	500,000	-	-	-
Exterior Caulking	30,000	-	-	-	-
Centennial Electrical Upgrade	-	-	200,000	300,000	-
Centennial HVAC Replacement	-	1,000,000	250,000	-	-
Painting	65,000	-	-	15,000	-
Space Feasibility Study	15,000	-	-	-	-
Total Spending	\$791,650	\$1,800,000	\$553,000	\$398,000	\$80,000
Anticipated Year End Balance	\$2,555,008	\$950,487	\$690,707	\$683,666	\$994,625

STABILIZATION RESERVE

This reserve provides the Library with financial stability against unforeseen issues in Revenue or unanticipated expenditures. It will be used in 2018 and again in 2019 to fund ongoing operations so that a deficit is avoided. At the end of 2019, it is projected that the Stabilization Reserve will be reduced to approximately \$35,000 well below the target balance of \$620,000. As with the Capital Reserve, there will not be adequate availability in the operating budget until 2022 to fully fund the Stabilization Reserve. The following chart is a continuity of the Stabilization Reserve for the next 5 years.

Stablization Reserve - 5 Year Forecast

	2019	2020	2021	2022	2023
Reserve balance	\$174,983	\$34,983	\$97,724	\$191,836	\$317,319
Contribution from Operating		\$62,741	\$94,112	\$125,483	\$125,483
Contribution from Retained Savings					
	-	62,741	94,112	125,483	125,483
Support of Operating Budget	140,000	-	-	-	-
Total Spending	\$140,000	\$0	\$0	\$0	\$0
Anticipated Year End Balance	\$34,983	\$97,724	\$191,836	\$317,319	\$442,802

Attachment 1
ST. CATHARINES PUBLIC LIBRARY

POLICY

Section: Financial Number: F4	Subject: Library Reserves	Motion #: 2018-66
Approval Date: 2018-06-21	Effective Date: 2018-06-21	Review: Annual
Notes: This policy was approved at the Regular Board Meeting on June 21, 2018		

POLICY STATEMENT

The purpose of this policy is to provide the overall framework and the terms and conditions for the establishment of the Library's Capital and Stabilization Reserve.

The policy outlines: the Purpose of the Reserve; Funding Sources (Revenues); Funding Uses (Expenditures); Basis for the Targeted Balance; Target Balance, Allocation and Approval; and Reporting.¹

Definitions

Surplus – For the purpose of this policy, annual operating budget surplus results from revenues exceeding expenditures in a fiscal year.

Reserves

The Library will have the following Reserves.

- Capital Reserve
- Stabilization Reserve

CAPITAL RESERVE (see Appendix 1 for details)

1. Purpose

The purpose of the Capital Reserve is for substantial maintenance, upgrading or replacement of Capital items including but not limited to: HVAC systems, roofs, windows, skylights, IT infrastructure, equipment, floor coverings, interior finishes, alterations, additions and renovations as well as providing for condition assessment reports and feasibility studies.

2. Funding Sources (Revenues)

Contributions from the Annual Operating Budget.
Contributions from Annual Operating Budget surpluses.

3. Funding Uses (Expenditures)

Capital expenditures as approved annually in the Library's Capital Upgrade program and based on a 5 year Capital forecast.

4. Basis for Targeted Balance

Maximum balance of 10% of the total estimated replacement cost of the insured Library assets including the Central Library building which is owned by the City.

5. Target Balance

To be reviewed annually. Once target balance is achieved, no further budget contributions will be made to the reserve until either targets are amended or balance drops below target.

1. Letter dated May 11, 2018 from the City Clerk re: Reserve Policy for Agencies, Boards, and Commissions

STABILIZATION RESERVE (see Appendix 2 for details)**1. Purpose**

To moderate the impact of unforeseen expenditures and shortfalls in revenue that include but are not limited to: decrease or loss of provincial grants, decrease in revenues, fluctuations in foreign currency, legislated wage and benefit increases, legal costs, pay equity costs, increases in service delivery costs, unforeseen or unanticipated expenditures.

2. Funding Sources (Revenues)

Contributions from the Annual Operating Budget.

Contributions from Annual Operating Budget surpluses.

3. Funding Uses (Expenditures)

Operating budget support for unforeseen and/or unanticipated expenditures and shortfalls in revenue.

4. Basis for Targeted Balance

10% of the Annual Operating Budget.

5. Target Balance

To be reviewed annually.

Allocation and Approval

Expenditures from the Reserves and transfers between Reserves and the Operating Budget may only be made with the prior approval of the Library Board and for the purposes identified in this policy. This may occur through the annual budget approval process or on an ad hoc basis.

Reporting

The Annual Operating Budget will show the budgeted transfers between the Reserve funds and the Annual Operating Budget, uses, (including committed amounts) and the projected balance. There will be a separate continuity report for the Capital and Stabilization Reserve, showing actual balances and budget information related to balances and amounts of funding inflows and outflows and any current commitment.

Implementation and Review

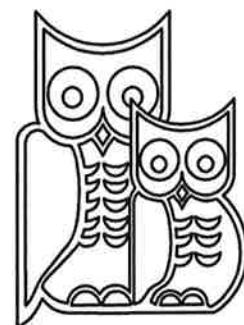
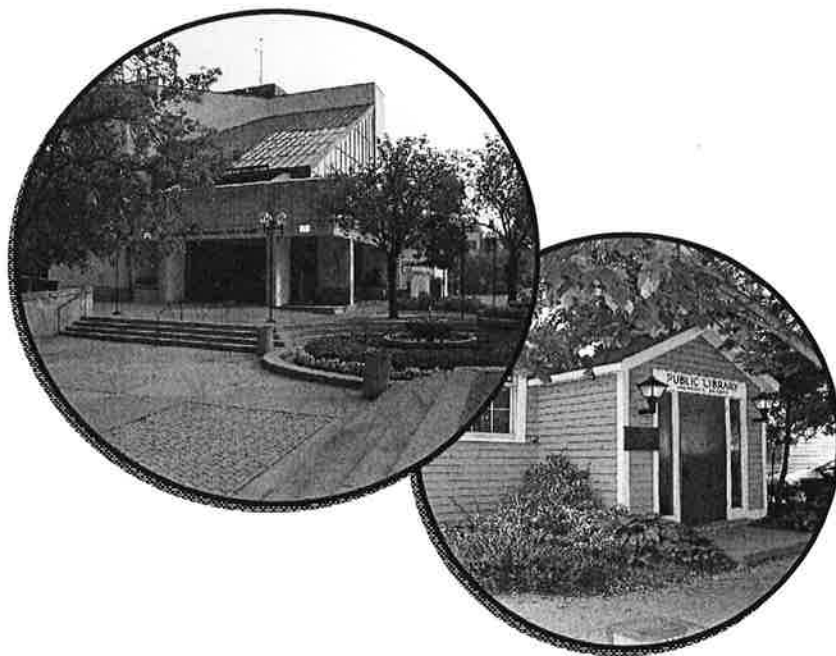
The policy will be implemented by the CEO and Business and Facilities Administrator.

Appendix 1 – Capital Reserve

Reserve Name	Purpose	Funding Sources (Revenues)	Funding Uses (Expenditures)	Basis for Targeted Balance	Targeted Balance	Balance as of Dec 31, 2017
Capital Reserve	To provide for substantial maintenance, upgrading or replacement of capital items including but not limited to: <ul style="list-style-type: none"> •HVAC systems •roofs •windows •skylights •IT infrastructure •furniture •equipment •floor coverings •interior finishes •alterations •additions •renovations As well as providing for condition assessment reports and feasibility studies.	Annual contribution from the Operating Budget and transfers from Operating Budget surpluses.	Capital expenditures as approved annually in the Library's Capital Upgrade Program and based on a 5 year Capital forecast	Maximum balance of 10% of the total estimated replacement cost of the insured library assets (including Central Library building).	Estimated replacement cost as at Dec.31/2017 \$3,909,590	\$3,636,756
		1. Annual contribution of 1% of the insured value of the assets from the Operating Budget.				
		<i>Example 2017</i> \$39,095,900 (insured value of the assets) x 1% = \$390,959				
		2. Portion of annual operating budget surplus				

Appendix 2 – Stabilization Reserve

Reserve Name	Purpose	Funding Sources (Revenues)	Funding Uses (Expenditures)	Basis for Targeted Balance	Targeted Balance	Balance as of Dec 31, 2017
Stabilization Reserve	To moderate the impact of unforeseen expenditures and shortfalls in revenue that include but are not limited to: <ul style="list-style-type: none"> • decrease in or loss of Provincial grant(s) • decrease in revenues • fluctuations in foreign currency • legislated wage and benefit increases • legal /litigation/pay equity costs • increase in service delivery costs • unforeseen /unanticipated expenditures (eg security) 	Annual contribution from the Operating Budget and transfers from Operating Budget surpluses.	Operating Budget support for unforeseen or unanticipated expenditure.	Maximum balance of 10% of the Annual Operating Budget	\$619,126	\$424,983
		1. Annual contribution of 2% of the Annual Operating Budget.				
		<i>Example 2017</i> \$6,191,260 (Operating Budget) x 2% = \$123,825.				
		2. Portion of annual operating budget surplus.				



ANNUAL Report 2017

ST. CATHARINES PUBLIC LIBRARY

www.stcatharines.library.on.ca

ST. CATHARINES PUBLIC LIBRARY 1888 – 2017

Executive Summary

The Library provides access to information, leisure materials and cultural resources. The Library promotes literacy and life-long learning and partners with individuals and organizations to deliver a variety of programs and services. The Library provides public space where individuals and groups can study, conduct research, hold meetings and seminars. Everyone is welcome regardless of their age, ability or economic status.

The Library's collections, programs and services are constantly evolving. New technologies are used to improve access to collections, to provide electronic and downloadable collections, and to deliver new services.

The Library's website provides 24/7 access to the online catalogue, over 26,180 electronic full-text magazines, newspapers, and reference sources, as well as downloadable audio books, e-books, magazines, music, feature films, television series and documentaries. The public can search for materials, place holds, renew items, download resources and print full text articles remotely using a smart phone, notebook or tablet. The Library provides reference services in-house, via email and real-time online chat services. Collections and services are promoted through a variety of methods including Facebook, Twitter and Pinterest.

The Library's Strategic Agendas have provided the framework for the development of library services. Key objectives for 2017 included the following:

- Expanded Maker and STEM programs for children and teens
- Launched four new computer programs including Advanced Excel, 3D Printing Basics for Adults, 3D Printing for Teens, Travel Planning Online and Shopping Online
- Developed the Grade 3 Class Visit Program
- Introduced downloadable Graphic Novels
- Expanded community outreach initiatives
- Added 867 digital images to the Library's Historical Digital Archives
- Introduced 'Novel Branch' and 'Holds Lockers' at the Seymour-Hannah Arena
- Created the Canada 150 Series
- Continued the Great War and Brock Talks series
- Organized the 13th Annual Niagara Reads Program
- Organized the 17th Annual Fresh Ink Contest
- Participated in the 2nd Annual Festival of Readers
- Acquired modular children's seating
- Acquired CD and Magazine shelving
- Prepared Request for Proposal for an RFID system
- Completed the Energy Audit
- Updated signage to comply with Accessibility requirements
- Redesigned 2nd floor at the Central Library creating sound proof rooms for Proctoring and Accessible Services
- Prepared reports on: Library Usage 1999-2016; Capital Improvements 199-2015; Technology Grants 1999-2016.

The report that follows provides more detail on Library activities in 2017.

2017 REVIEW OF ACTIVITIES AND ANNUAL STATISTICS

TECHNOLOGICAL INFRASTRUCTURE

The Library maximizes the use of computers and new technologies to store and retrieve data, order and receive materials, and to deliver products and services in a cost effective and convenient manner. The Library has an online catalogue, online full-text databases, as well as downloadable digital collections which include books, magazines, movies, documentaries and TV shows. The Library offers online book clubs, online reference services, access to the Internet and WiFi services. There are 150 computer workstations across the system. In 2017 Windows 10 was deployed to all workstations.

Fiber -Optic Network Upgrade

The library has a fibre-optic telecommunications backbone and runs a VoIP telephone system. The fibre-optic service is from Niagara Region Broadband Network (NRBN). Branch-to-Branch service is 100 Mbps and the Internet service is 50 Mbps. All locations have WiFi.

Server Virtualization Upgrade

In 2015 the Library upgraded 8 servers in order to move to a virtualization solution. Server virtualization is a technology that partitions one physical server into multiple virtual servers. Each of the virtual servers can run its own operating system and applications and perform as if it is an individual server. Virtualization allows the number of servers to be greatly reduced and provides for better disaster recovery, better utilization of server memory, more computing power and storage across machines. The Library maintained these servers in 2017.

Integrated Library System Upgrade

In 2015 the Library upgraded its Integrated Library System to cloud based services. The Library installed Enterprise Search Portal software which searches all fields in a library record by default similar to the way Google works. This allows patrons to explore collections across multiple targets by applying multiple filters such as subject, author, format, as well as integration with social media sites such as Facebook. The Library installed E-resource Central software which integrates electronic resources into the online catalogue providing the patron with a unified search experience without having to log into 3rd party sites such as Overdrive, Hoopla etc. We also installed Mobile Circulation software which allows staff to circulate items using an iPad, Android or laptop supporting HTML5 with or without a data connection. In 2017 we added Blue Cloud visibility.

Virtual Library Branch – 24/7

The Library's website provides 24/7 access to the online catalogue, to full text electronic magazines, newspapers and reference sources, as well as downloadable audio and e-books, music, magazines, movies, TV shows and e-Braille formats. Patrons can search for material, place holds, renew items, download books, and print full-text articles remotely using a smart phone, notebook or tablet remotely.

Social Media and Library Outreach

Social media has been used since June 2012 to keep patrons informed on new programs, services and collections. On December 31st, 2017 the Library had 2,586 followers on Twitter, 1,604 friends on Facebook, and 247 followers on Pinterest.

FACILITIES

In 2017, a number of facilities projects were undertaken including the following.

- Completed an Energy Audit of the Central Library
- Prepared tenders for Fire Inspection Services
- Redesigned the 2nd floor of the Central Library creating a staff office, staff workroom and two sound proof rooms one for Proctoring and one for Accessible Services
- Power sprayed the exterior walls and walkways of the Central Library to remove debris
- Sandblasted exterior walls of the Central to remove graffiti
- Extracted all rugs at the Central Library
- Investigated the replacement of the basement tiles at the Central Library
- Updated signage to comply with Accessibility requirements
- Commissioned a redesign of the Circulation desks at the Central Library

Furniture and Equipment Upgrade

In 2016 the Library used the funds from an anonymous donation to upgrade the 40 year old furniture at the Central Library. The Library acquired: 74 study tables, 12 flip top meeting room tables, 34 club chairs, 4 microfilm-fiche scanners, 3 video game controllers and 3 consoles, a Talking Tech server, 24 book displayers, 9 end tables, 2 blue tooth scanners, 1 iPad, and 1 android tablet; 2 wall mounted LCD TVs and 2 laptops for Dr. Huq and Merritt. In 2017 the Library received another anonymous donation which was used to purchase modular children's seating and CD and Magazine shelving for the Central Library. In addition, 'Novel Branch' a library vending kiosk and "Holds Lockers" were acquired for the Seymour-Hannah Arena.

Facilities and Accessibility

In 2017 the Library commissioned a redesign of the Circulation Desks at the Central Library to be in compliance with accessibility requirements. The new desks to be installed in 2018.

ACCESSIBLE SERVICES – COLLECTIONS, EQUIPMENT AND SERVICES

The Library provides a variety of formats to address the needs of different user groups. Accessible collections include large print books, audio books, e-books, e-Music, e-Magazines. DVDs in the collection include descriptive videos and closed caption videos. All Branches have adjustable computer stations, adjustable chairs, large screen monitors, large print keyboards, trackballs, and dome magnifiers. All locations have ZoomText software on selected computer stations. ZoomText magnifies the computer screen and has the ability to speak to the user. The Library has also installed BrowseAloud software which will read the text on the screen. The Library's website was changed in 2013 to comply with Web Content Accessibility Guidelines (WCAG) 2.0 standard. The website includes links to Browser Accessibility Guides – Internet Explorer, Mozilla Firefox, and Google Chrome. In 2017 all signage was replaced to comply with Accessibility requirements.

Center for Equitable Library Access (CELA)

In 2014, large urban libraries partnered with CNIB to create the Center for Equitable Library Access (CELA). Membership in CELA gives SCPL patrons access to the CELA collection which includes over 85,000 audio books, magazines, as well described videos. Formats include digital narrated audio, text-to-speech, e-braille, printed Braille including embossed Braille picture books and tactile books for early Braille literacy intervention.

- At the end of 2017 a total of 134 patrons had registered with CELA through the Library. A total of 8,010 items had been borrowed from this service.

COLLECTION SIZE

The Library's collections include a variety of formats – print, DVDs, CDs, microfilm, microfiche and digital media.

- On December 31, 2017 the collection (including all formats) consisted of 245,831 titles and 342,414 copies of which 6396 were digital.

CIRCULATION OVERVIEW AND MATERIAL USE IN-HOUSE

Material checked out or downloaded

- In 2017 patrons had borrowed or downloaded a total of 970,023 items. Digital circulation of 163,773 accounted for 16.8% of total circulation.

In-house Material Use

The Library also tracks material that is used in-house including material that can be checked out as well as material that cannot circulate (e.g. local history and reference).

- In 2017 a total of 96,111 items were used in-house 982,677 across the system, and 13,433 in the Special Collections Room.

CIRCULATION DETAILS DIGITAL COLLECTIONS

Full Text Magazines, Newspapers and Reference Materials

The Library subscribes to a number of electronic databases that provide full-text access to approximately 26,180 magazines, newspapers and reference sources. Electronic databases can be searched simultaneously by many users and accessed remotely 24/7.

- In 2017 these databases were searched 928,111 times.

Downloadable Magazine Collection – Zinio

In July 2013 the Library acquired "Zinio" a downloadable magazine subscription service. Zinio provides access to 122 of Canada's most popular magazines. Library card holders can download articles and whole issues. Unlike downloadable books there is no loan period limit and the service offers simultaneous access.

- In 2017 this service was used by 1,525 patrons who downloaded 13,148 magazines.

Downloadable Audio and e-Book Collection – Overdrive

In June 2010 the library acquired "Overdrive" a downloadable audio and e-book subscription service which includes fiction and non-fiction titles for all age groups. Titles are refreshed on a regular schedule.

- In 2017 a total of 61,765 digital e-books and audio books had been borrowed.

Downloadable Music Collection – Freegal

In 2012 the Library acquired a downloadable music subscription service which offers access to the music of tens of thousands of artists, hundreds of music labels and over 160 musical genres. Patrons can download or stream the exact piece of music they wish to hear. To ensure equity of access, downloads per patron, per week are pre-set by the Library.

- In 2017 patrons downloaded 20,750 tracks and streamed 54,784 songs.

Downloadable Book, Movie, TV Show Collection – Hoopla

In 2017 the Library acquired the subscription service Hoopla that provides access to over 9,000 audio books, 200,000+ music albums, 2,500+ movies, TV shows and documentaries.

- In 2017 a total of 13,379 items were downloaded.
-

Special Collections – Local History – Ancestry Database

This collection includes local history and genealogical materials in a wide variety of formats. The Library also subscribes to Ancestry an online genealogical resource which contains Census Records, Wills, Passenger Lists, Birth/Death/Marriage records and other primary sources. Staff offer courses in genealogical research. The digitization of photographs held in Special Collections began in March 2016.

- In 2017 a total of 867 images were uploaded. Digital images now total 2151.

REFERENCE AND INFORMATION SERVICES

The Library provides reference and information service in-person, by telephone, by email or through a real-time online chat reference service. .

- In 2017 staff answered a total of 324,635 requests. This included: 226,678 reference requests; 42,327 referral/directional requests; 44,130 equipment and software application assistance requests; 11,042 ILLO requests; 403 Email and 55 Info Chat requests.

PROGRAMS FOR CHILDREN

A primary role of libraries is to foster the development of literacy skills in children 0-11 years of age. The Library offers the following sessional programs to support this goal:

- Books for Babies (0-24 months + caregiver)
- Stories and More (2 - 4 yrs. + caregiver)
- Teddy Tales (under 5 yrs. of age with families)
- Family Storytime (ages 5 and under and their families)
- Saturday Corner (drop-in all ages)

Single programs for different age groups are also offered yearlong, some of which are listed below:

- Bert's Comedy Magic Show
- 3D Printing for Kids
- Chess Club
- Fairy Tale Storytime and STEM
- Kindergarten 101
- Lego Club
- Little Bits Innovation Station
- Miniature Art Lab
- Tell Tales –Therapy Tales Ontario

The Library also develops programs for March Break and for the Summer Reading Club some of which are listed below:

March Break

- Flat Stanley
- Oh the Places We'll Go
- Paw Patrol

Summer Reading Club (ages 11 and under)

- 3D Printing for Kids
- Fun with Franklin
- Makey Makey Lab
- Munsch Madness
- Pre-School Science Story Time

In 2017 a total of 12,100 children participated in the 758 programs/activities offered.

PROGRAMS FOR TWEENS AND TEENS

Feedback from the Teen Advisory Council is used when developing programs for Tweens (10 to 14 years) and teens (12 years and older). Some of the programs offered for this group are listed below:

- Anime club
- Coding getting started with Scratch
- 3D Printing
- Escape Room
- High School Study Exam Tips
- Photography Workshop & Contest
- Research Skills Development for Grade 8 Students
- Teen Writers Club
- Youth Job Search Drop-in Services

March Break Programs

- Audio Recording 101
- Book Folding
- Get Ready to Drive
- Giant Jenga

Summer Reading Club

- Board Games Tournament
- Pixel Stitching Printmaking 101
- Pendulum Painting

Fresh Ink Contest

In 2017 the 17th Annual 'Fresh Ink Poetry and Short Story Writing Contest' was held. The contest is open to teens across the Region who are 12 to 18 years of age. There were 43 entries and 60 people attended the awards ceremony.

In 2017 a total of 1,997 teens had participated in the 155 programs/activities offered.

PROGRAMS FOR ADULTS

Computer Programs

The Library offers a number of computer programs. Tech Time is a very popular drop-in program where adults receive one-on-one help with basic software issues, navigating the Internet, downloading digital content, setting up and using their smart phones, iPads or tablets etc.

Beginner Computer Courses

- Computer Basics
- Internet (Level 1, 2 and 3)

Digital Collections

- Downloadable Magazines
- Digital Collections (all formats)

Genealogy

- Ancestry Library Edition
 - Genealogy on the Internet
-

Job Skills Training

- Job and Career Searching Online
- Microsoft Word Basics
- Microsoft Word Advanced
- Excel Basics & Excel Advanced
- Social Networking
- Facebook (Level 1 and 2)
- Twitter Basics

General

- Planning Travel Online
- Shopping Online
- 3D Printing Basics
- Tech Time (a drop-in program)

In 2017 a total of 1,237 individuals attended the 233 computer courses offered.

Brock Talks Series

Life-long learning programs and author readings are core to library services. The 'Brock Talks Series' was launched in January 2012 and continued in 2017.

Professors from Brock University's Humanities Department present seminars on their areas of research. Seminars in 2017 included the following:

- Finding Photographs
- Visual Effects in Contemporary American Cinema
- Murmuring Spring; Walter Kempowski's Literary Collages
- Past and Future of Imaginary Worlds
- Whit and Whimsy: Piano Works of Canadian Composer Jack Behrens
- Walk Through (8th Century) Rome

In 2017 six Brock Talk seminars were presented with 177 in attendance.

Since January 2012, there have been 32 Brock Talks seminars with 938 in attendance.

The Great War Centenary Series

In April 2014 the Library launched the Great War series. A variety of historical programs related to the conflict are being presented. They describe the achievements and sacrifices of Canadians in this conflict. Seminars in 2017 included the following:

- August to December 1914: the Myths, the Legends and the Controversies
- Not Yet Diagnosed Nervous: the Effect of Class on the Diagnosis and Treatment of Combat Trauma in Canadian Soldiers of WW1

Celebrate Canada 150 Series

In 2017 a number of programs were offered during the year to celebrate Canada's 150th anniversary. They included the following:

- Dissent, Print Culture, and Anti-Confederation in James Barry's Diary – Dr. D. Samson
 - History of Canadian Wine with sommelier Dan Kernahan
 - Public Gardens in Canada – M. Barron
 - Sir John A. MacDonald: A Portrait – Dr. R. Lafferty-Salhany
 - Tom Thomson's Fine Kettle of Friends with Angie Littlefield
 - Yesterday, Today and Tomorrow; St. Catharines at the Time of Confederation with D. Gannon
-

Niagara Reads Series – 13th Annual

Niagara Reads is held in October during Public Library Month. Local authors are invited to do author readings and book signings. This year the series included the following:

- Terri Favro author of *Sputniks Children*
- Laura Wright author of *The First Mess Cookbook*
- Adam Montgomery author of *the Invisible Injured*
- Canadian Authors Association-Niagara Branch *An Evening of Short Stories*

Saturday Morning Author Series

The Canadian Author's Association, Niagara branch sponsors this series. Lectures included:

- Ellen Jaffe – *Where Do Poets Get Their Ideas*
- Caroline Whitfield – *Enhancing Your Writing Skills*
- Judy Suke – *A Book of Your Own*

General Interest

Other general interest programs in 2017 included the following:

- Chronic Pain Awareness
- Executors and Estate Planning
- Healthy Brain
- Forty Days in the Wilderness: Walking the Camino De Santiago
- Laughing All the Way to the Mosque – author Z.Nawaz
- Rise of Trumpism: What's Next for the United States, Canada and the World.
- Welland Canal Fallen Workers

In 2017 the Library offered 569 adult programs (including programs part of a series, general interest, author readings, book clubs, class visits and computer classes). Total attendance at these programs was 5,945.

PROGRAMS – CLASS VISITS

The Library offers class visits for all age groups. In 2017 there were 191 visits with 3,585 attending.

PROGRAMS TOTAL ATTENDANCE – ALL AGE GROUPS

In 2017 the Library offered a total of 1,482 programs/activities for children, teens and adults. A total of 20,042 individuals participated in these programs.

OUTREACH AND VISITING LIBRARY SERVICE

Throughout the year, staff provided outreach to daycares, schools, as well as book deposits to a number of seniors' residences. In 2017 the Library's Visiting Library Service made 528 visits to housebound patrons delivering 3,745 items.

FUNDRAISING and DONATIONS - \$238,285

The Library continued fundraising activities. Fundraising initiatives include the sale of used books, sale of equipment as well as donations to the Honour with Books programs or Endowment and Trust Fund. In 2017 the Library received a significant anonymous donation for \$203,458.

MEETING ROOMS – \$9,463

Meeting rooms are provided primarily for not-for-profit community groups. In 2017 the rooms were rented 373 times and generated \$9,463 in revenue.

2017 ANNUAL STATISTICS

Collections	
Titles held (including digital)	245,831
Copies held (including digital)	342,414
Digital Collection copies	6,396
Periodicals (print titles)	531
Periodicals (electronic titles)	26,180
Circulation of Materials	
Circulation (*all Formats)	970,023
• Circulation (not including digital)	806,250
• Circulation (digital downloads)	61,765
• Circulation (music downloads)	20,750
• Circulation (music streaming)	54,784
• Circulation (magazine downloads)	13,148
• Circulation (Hoopla downloads)	13,279
• Circulation (One click downloads)	47
In-house Use of Materials	82,677
• In-house use Special Collections	13,433
Reference / Information Requests	
	324,635
Visits	
• In person (does not include attendance in the meeting rooms)	422,285
• Virtual visits	504,914
Meeting Room Bookings	373
• Estimated attendance	6,140
Registered Patrons	64,860
Web/Electronic Services	
Internet sessions booked in the Library includes word processing	55,381
Virtual visits to the Library	504,914
Electronic full-text database searches (not all databases included)	928,111
Programs	
Programs held	1,482
Attendance	20,042
Class Visits	
Attendance	191
	3,585

FINANCIAL REPORT 2017

Revenues	
Municipal Contribution	5,491,200
Provincial Grant	228,616
Miscellaneous Revenue	264,322
Funds Transferred to Reserves	(183,744)
Total Revenue	5,800,394
Expenditures	
Salaries and benefits	3,652,259
Library Materials	984,431
Occupancy Costs	521,346
Library Services and Supplies	285,022
Operating Capital	207,340
Total Expenditures	5,650,398
Unexpended Balance	149,996

LIBRARY BOARD 2017

Les McDonald (Chair)
Anna Cook (Vice-Chair)
Linda Bramble

Anne Carruthers
Justine Cotton
Councillor Bill Phillips

Andrejs Rosts
Susan Tromanhauser
Councillor Bruce Williamson

LIBRARY MISSION STATEMENT

The St. Catharines Public Library Board is committed to providing all the citizens of St. Catharines with the highest level of library services, materials, and facilities within the resources available to meet their informational, educational and recreational needs.

LIBRARY VISION STATEMENT

The Library is a cornerstone in the community which enriches and strengthens the cultural, educational and democratic life of the City.

The Library is a resource centre providing access to information and works of imagination in a wide variety of formats that encourage the exploration of the broadest range of ideas.

The Library promotes literacy, reading, the pursuit of knowledge and life-long learning through its collections, programs and services.

The Library promotes information literacy and computer / digital literacy through its research skills development and computer programs.

The Library is an innovative and accountable organization and seeks partnerships that promote library services and add value to the community.

LIBRARY LOCATIONS**CENTENNIAL
LIBRARY**

54 Church Street
905-688-6103
905-688-6292(fax)

**DR. HUQ FAMILY
LIBRARY BRANCH**

425 Carlton Street
905-934-7511

**MERRITT
BRANCH**

149 Hartzel Road
905-682-3568

**PORT DALHOUSIE
BRANCH**

23 Brock Street
905-646-0220

Email us at admin@stcatharines.library.on.ca
Telephone Reference Service 905-688-6103, ext 211
Email reference Service askus@stcatharines.library.on.ca

**For a complete list of services, access to the online catalogue, electronic databases
and digital media collection please visit our website at www.stcatharines.library.on.ca**