

1. 2021 DRAFT OPERATING CAPITAL BUDGET ESTIMATES
AND FOUR-YEAR CAPITAL FORECAST

Anna Basile, Division Manager, Corporate Services presented the Board with a high-level summary of the draft budget including information regarding operating pressures, and the recommended 2021 capital initiatives. Ms. Basile said staff received eight inquiries and questions of clarification from members of the public following tabling in November, which were distributed as correspondence with the Board. (*Held on file with the Chief Executive Officer*). Matthew Pritz, Program Manager, Finance and Business Services and Brenda Gorton, Account Manager, Financial Services Unit (City) were in attendance to respond to questions.

The Board heard from the following delegations:

John D. Reid said that he felt that the budget process limits meaningful public dialogue with the Board. He was pleased with several aspects of the budget, including the progress for fair ebook pricing, room rental rates, and partnerships. He was concerned about other aspects of the budget and referred to a statement made by Chair Luloff indicating that he has “every intention of setting the conditions to remedy” the fact that there are areas of the City not served by an OPL branch. Mr. Reid acknowledged the studies proposed for Carlington and the East Urban area but suggested that the 2021 budget should also address needs in other areas, specifically in Hunt Club and Riverside Park. Mr. Reid questioned how the elimination of late fees addresses the objective of increasing the number of active cardholders by 25 percent by 2023. He urged staff to examine renting space in the Hunt Club neighbourhood in order to provide library services, and asked why staff refused to consider this option. Regarding the vehicle lifecycle replacement funds in the budget, Mr. Reid suggested that OPL should be in line with the City’s zero emissions commercial vehicle strategy and asked for a library plan on meeting climate objectives. He asked how the level of funding (12% of the budget) for corporate services compares to that for other major Ontario public

libraries, suggested that this amount was bloated, and expressed his incredulity. He concluded by saying that trustees should ask more questions of staff and challenge staff to do better. Lastly, Mr. Reid commented that it's a "sprint" to speak within the five minutes allocated for a delegation.

Chair Luloff said the Facilities Master Plan, intended to be completed by 2022, will provide the required framework to inform future funding decisions regarding library services in neighbourhoods, including additional branches. He thanked Mr. Reid for being a strong advocate for the library.

Trustee Brockington inquired as to the end game: whether Mr. Reid was specifically asking for OPL to rent a storefront space, and then build a branch after conducting the Facilities Master Plan, should that Plan identify a gap in the Hunt Club area? Mr. Reid replied that this would be a sensible approach; however, he believes it does not meet the immediate needs, especially for minority children who are struggling with substandard library services. In other words, he did not think that the Facilities Master Plan process should stop OPL from moving forward at the present time on looking at storefront library space for his community. Given the flexibility staff exhibited in providing services during the pandemic, he believes more could be done to address substandard library services in Hunt Club.

In response to a question from Trustee Meehan regarding whether anything had been missed or omitted in the budget, Mr. Reid said a lot more could be achieved by being flexible and renting space in a facility in Hunt Club while freeing up hours in other branches.

Christine Johnson, Chair, Library Committee, Hunt Club Community Association*, presented a PowerPoint (*held on file with the Chief Executive Officer*) illustrating the growth in Hunt Club in the last 70 years. She stated that in her opinion, this neighbourhood had been completely overlooked since the mid-seventies. She referenced a library services questionnaire she conducted in the

Shearwater Court community housing building, of which a summary of responses was distributed to the Board (*held on file with the Chief Executive Officer*). She advocated for improved library services at the Hunt Club-Riverside Park Community Centre and requested staff to consider the following:

- 1) Consult with the Hunt Club community regarding a needs assessment in 2021 and conduct the gap analysis using an evidence-based approach, incorporating historical context that resulted in some areas being unserved; and,
- 2) Include in a library branch in the Hunt Club community between Riverside Drive and Bank Street in the Facilities Master Plan.

*[*Individuals / groups marked with an asterisk above either provided comments in writing or by email; all submissions are held on file with the CEO.]*

Written correspondence was submitted to the Board prior to the start of the meeting, from the following, as noted:

- The Alexander-Goudy and Hughes families;
- Sonya Hughes (Jenkins)
- Christine Johnson;
- Michelle Nash via Councillor Fleury
- Linda Sabine via Chair Luloff;
- Zivana Pavic;
- John Reid; and,
- Linda Sabine.

Trustee Brown thanked the delegation for her time and effort and for canvassing some members of her community for feedback.

Trustee Brockington indicated that he thinks the frustration of his community is not with the Facilities Master Plan but the funding model that's used to build facilities.

He stated his belief that the Board will have to wrestle with the funding model as well.

Trustee Meehan was sympathetic to the delegation's concerns, referring to the upcoming construction of a long-awaited branch in her ward, one of three wards without a branch. She added that the new Riverside South branch in her ward will be funded by development charges.

The Chair opened the floor to questions of staff by trustees.

In response to a question from Vice-Chair Fisher regarding the percentage increase in the base budget is for eContent acquisition, Ms. Seaman indicated that the budget for purchasing eContent is \$2.5M which represents a twelve percent increase to the base budget.

Trustee Brockington suggested that staff provide the Board with a presentation on how development charges are calculated at a future meeting.

In response to a question from Trustee Brockington about OPL's ability to retain the projected 2020 surplus for OPL's reserves, Chair Luloff said the surplus is a product of responsible stewardship of funds during the pandemic, including during a time when part-time staff were placed on declared emergency leave, and, as a result, he feels the surplus should be retained by OPL. Chair Luloff reminded his colleagues that the CEO carefully monitors the growth in the reserves. He said it is important for the Board to maintain a healthy reserve to plan for the future, including potential future budget pressures or facilities growth.

Further to a question from Trustee Brockington regarding whether the Board has the authority to ensure that OPL can retain its surplus, Ms. McDonald indicated that staff is seeking a legal opinion regarding this matter. She also indicated that staff are developing a Long-Range Financial Plan, including further consideration of reserves.

Trustee Brockington suggested that, given the amount in the reserve, a plan should be developed to allocate or “ earmark ” the funds for a particular initiative. Chair Luloff indicated that sometimes the reserve is also needed for unanticipated needs, such as previous Pay Equity settlements.

Trustee Brockington said the Main branch auditorium meeting room fee for commercial use is significantly below market rates for comparable spaces, and he urged staff to review the commercial rates and report back in September 2021. Chair Luloff added a friendly amendment, asking that staff look at the meeting room fees for commercial use in all OPL facilities.

Direction to Staff:

That staff review meeting room fees for commercial use at all OPL facilities and report back in Q3 2021.

Trustee Brockington said the 2021 Draft Budget is reasonable and that he fully supports what is being proposed.

Trustee Begg said the budget impact related to COVID-19 will be felt in coming years. He clarified a point made by Mr. Reid’s delegation, indicating that trustees regularly converse with staff, are encouraged to pose questions of staff in writing or by phone, and that staff are very generous with their time. He said that this dialogue between trustees and staff happens behind the scenes, not only at Board meetings. He thanked staff for the opportunity to debate the Materials Recovery Model ahead of the budget, as is a good practise. Trustee Begg commented that he understands the frustration regarding the use of development charges to fund new facilities; he added that while he is in favour of expanding services but worries also about the age of existing branches and their lifecycle needs.

Vice-Chair Fisher echoed Trustee Begg’s comment regarding the Board’s engagement, indicating conversations between trustees and staff occur on a

regular basis. She noted that the commitment made by trustees who sit on various Ad hoc Committees is also significant, and guides staff recommendations to the Board. She commented that trustees contribute to OPL in many ways, not just by their attendance or questions at Board meetings.

Chair Luloff agreed that trustees do a great deal of work and are very engaged. He is proud to Chair an incredible Board.

In closing, Chair Luloff thanked the CEO, the Division Manager, Corporate Services, and all staff for their tremendous work on the budget.

There being no further discussion, the OPL 2021 Draft Budget was CARRIED as presented.

MOTION OPL 20201201/5

That the Ottawa Public Library Board:

- 1. Approve the 2021 Draft Budget for the Ottawa Public Library; and**
- 2. Direct staff to forward the report to Ottawa City Council for consideration on December 9, 2020 as part of the City Council's approval of the City of Ottawa 2021 Draft Operating and Capital budget.**

CARRIED