Report of the Library Funding Task Force AUGUST 2008

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Executive Summary

The purpose of this report is to describe the work and recommendations of the Library Funding Task Force, mandated by the Province of Nova Scotia to propose a multi-year funding plan to be incorporated into a memorandum of understanding (MOU). The task force's work included a review of core public library business, an updating of provincial library standards, and the identification and development of a new funding formula and grant disbursement model. The goal is to achieve agreement among the province, municipalities, and regional library boards on a new funding model for fiscal years 2009–2010, 2010–2011, and 2011–2012.

Because operating funding for Nova Scotia public libraries is shared among three funding partners, the Province of Nova Scotia, 55 municipalities, and nine regional library boards, it was essential that a new funding model be developed collaboratively. To that end, the task force included representation from the Department of Education, the Library Boards Association of Nova Scotia, the Council of Regional Librarians, the Union of Nova Scotia Municipalities, and the Association of Municipal Administrators.

The task force began its work in December 2007 and concluded its research and funding model development in June 2008. A consultant was engaged in January 2008 to work with the task force to develop the funding framework. Key work included consulting with library boards and surveying municipalities on the costs of providing library services. The proposed funding framework is built on the results of that consultation process. (The consultant's report and recommendations are included in the Appendix B of this report.)

The funding recommendations described in this report are for operating grants to regional library boards. This report makes no recommendations for capital funding for facilities, bookmobiles, or deferred maintenance. Responsibilities for facilities development and review lie at the regional library board level with local municipal financial support. While it is acknowledged that library boards, like school boards, are faced with aging infrastructure concerns, this is an area of study that is beyond the scope of this report.

There are nine regional library boards in Nova Scotia, with 77 branch libraries. Over 324,000 Nova Scotians have library cards, and over 7 million items are loaned annually from Nova Scotia public libraries. Library boards employ 526 full-time equivalents. The goal of a renewed funding strategy for Nova Scotia public libraries is to provide stable, multi-year operating funding that will enable library boards to review

the current level of library services, to develop new methods of co-operative planning and service delivery, and to develop stronger library collections for Nova Scotians of all ages.

In view of these matters, the task force agreed to the following objectives for the memorandum of understanding:

- provide stable, multi-year operating funding to library boards to enable long-range planning for fiscal years 2009–10, 2010–11, and 2011–12
- address the costs of delivering core services
- increase funding to each library board during the life of the agreement
- use the most recent available adjusted census data to ensure a transparent, updated funding formula
- identify and achieve best-practice service-delivery models, benchmarks, and innovative approaches by year 3 of the MOU

The results of the research and consultations have led to the development of a funding framework built on the following components:

- salaries and benefits
- collections standard
- other supplies and services
- strategic development initiatives
- technology refresh
- French-language services

In summary, it is recommended that the following be provided to all library regions over the life of the agreement:

- an increase of 2.9 percent on salaries and benefits each year
- funding to collections standard that is gradually increased each year, achieving standard by year 3
- seed grants for youth employment each year
- an increase of 1 percent for salary step increments in years 2 and 3
- an increase of 2 percent on other supplies and services in years 2 and 3
- technology refresh grants in years 2 and 3
- French-language grants in years 2 and 3

These initiatives will cost \$5.9 million at the provincial level and will leverage increases from municipalities and boards over the three years of the agreement.

It is also recommended that strategic development initiative funding be provided over the life of the agreement and that these funds be administered by the Nova Scotia Provincial Library. The library community, together with the province, will undertake strategic initiatives and review over the next three years to achieve new efficiencies in service delivery and to ensure that standards and benchmarks are in place for staffing, open hours, and use by 2011–12. These initiatives will cost \$300,000 per year, reduced to 0 at the end of year 3.

Each of these recommendations is described in detail later in this report; the recommended funding framework carries forward two elements from the current formula: the sharing ratio outside of Halifax Regional Municipality and the French-language grant. It is recommended that the proposed funding formula be considered for the time frame of the MOU only. This is a transitional funding approach for public libraries, marking a transition from a population-based formula to a formula based predominantly on standards and operational needs.

Background

Annual operating grants to regional public libraries are issued by the Department of Education and administered to the nine Regional Public Library Boards by the Nova Scotia Provincial Library. The grant from the province leverages contributions from local municipalities. This funding relationship is described in the Funding Regulations of the Libraries Act.

Funding and supporting public libraries in Nova Scotia are a collaborative process. Municipalities own or lease the spaces that house public libraries and are responsible for many costs associated with building maintenance. Municipalities are represented on each library board. Regional library boards are responsible for the management and operations of public libraries in Nova Scotia.

The Nova Scotia Provincial Library is mandated by the Libraries Act to co-ordinate province-wide activities and to provide support services to public libraries. The Provincial Library maintains and develops the Integrated Library System (ILS), a consortium of all eight library regions outside of Halifax Regional Municipality (HRM) that allows libraries to manage core operations. The Provincial Library provides cataloguing services to the regions outside of HRM, ensures Internet connectivity for all libraries, and leads all libraries on consortium purchasing of electronic databases. The Provincial Library also makes training and continuing education opportunities available to all public library staff and provides leadership in multiple province-wide working groups.

Over the past 15 years, representatives of library boards, chief librarians, and municipalities have worked collaboratively with Department of Education staff in funding review committees every three years to develop funding recommendations for grants to public libraries in Nova Scotia. The funding review reports were successful in the late 1990s, but the funding review committee approach became less effective after 2000 when it became clear that the process needed revising to better address rural population decline, urban population growth, standards revisions, and the evolving roles of libraries in their communities. Library boards and municipal leaders wrote to the Minister of Education, asking the department to lead the development of a new funding strategy for libraries. The Union of Nova Scotia Municipalities passed a resolution in the fall of 2007 calling for increased funding to regional library boards. Public library users wrote to the government in 2007, expressing their support for public libraries.

In view of these circumstances, the Library Funding Task Force was formed by the Minister of Education to recommend a long-term, sustainable funding model (in the form of a memorandum of understanding) among the province, municipalities, and public libraries.

Current Funding Formula

The last funding review report was presented to the Department of Education in November 2003. The recommended funding at the provincial level was not implemented. This report describes the current sharing ratio for library operating grants, with a contribution ratio of 71 percent provincial, 26 percent municipal, and 3 percent board for the eight library regions outside of Halifax. While the current funding formula describes a funding ratio of 51 percent provincial, 46 percent municipal, and 3 percent board sharing for Halifax Public Libraries, in actuality, Halifax Regional Municipality contributes up to 74 percent of operating funds to Halifax Public Libraries. The current funding formula does not reflect the significant funding contribution required by HRM to support an urban library service, with the associated cost pressures that come from serving a more densely populated, high-use library region.

The current funding formula is distributed on a per capita basis. Faced with population decline in seven out of the nine public library regions, the province agreed to allocate the last five grants based on frozen population figures, using July 2002 adjusted 2001 census data. Using more recent population data would have led to a severe reduction in grants to the seven regions experiencing population decline over the past five years. Boards experiencing population decline report that a decrease in provincial grant allocation would lead to branch closures and the laying off of library staff, particularly in rural and small-town Nova Scotia.

Two library regions have experienced population growth: the Halifax Regional Municipality and the Colchester-East Hants library regions. These two regions agreed to the use of frozen population figures with the proviso that government work with the library community to draft a new formula that will take into consideration the impact of growing populations and increased use on public library services.

In 2007, library boards reported to government a \$1.9-million budgetary shortfall and indicated that without a funding review they would no longer be able to sustain the current level of library services. In fact, library boards, over the past few years, have been adjusting service delivery by not filling or gapping staff vacancies, cancelling or reducing program offerings, and reducing collections spending. The end result has been a gradual erosion of library services to Nova Scotians.

Boards report issues with attracting and retaining staff to fill vacancies, particularly at the professional levels. Because of a reduced capacity to offer competitive salaries at the professional and paraprofessional levels, preferred candidates have refused position offers, citing concerns with inadequate salaries.

All library boards are required to raise 3 percent of the funding, and to do so they undertake fundraising and revenue generation. Most libraries charge late fees; all libraries write grant applications for special projects and programs and undertake fundraising activities. These activities are indicators of good stewardship at the board level and are typical of fundraising programs implemented by library boards across the country. While Nova Scotia library boards are willing to continue to generate local revenue, they are reporting fatigue in sustaining the current levels of fundraising and voice frustration when these efforts are necessary to sustain basic operations instead of being used to fund innovation or special projects.

The costs of operating facilities, transporting materials between branches, telecommunications, legal and financial advice and support, insurance, and continuing education and travel for staff have risen significantly for library boards. Boards report that these increases have been out of proportion with the increases to grants over the past few years.

Included in the operating grants of the past several years is a French-language grant, 10 percent of the total provincial grant, allocated to library regions with a French-speaking population of 10 percent or more. Two library regions have qualified for this grant: Eastern Counties Regional Library and Western Counties Regional Library. The criteria for the French-language grant do not provide funding for all French-speaking Nova Scotians.

Finally, Eastern Counties Regional Library receives an "equity" grant, 5 percent of the provincial grant, to assist them in serving a sparse population distributed across a large geographic region. With decreases in population across seven library regions, all library regions face challenges of serving sparsely populated areas within their regions.

Chart A illustrates the level of provincial funding proposed in the last funding review report, Funding the Power of Public Libraries, and the actual amounts granted from the Department of Education:

A History of Funding Recommendations and Results at Provincial Level								
Fiscal Year	Funding Report Recommended Provincial Increase	Increase to	One-time Provincial Funds, Paid Year End	Total Funds Available from Province	Variance from Funding Report			
2004–2005	\$1,705,500	\$250,000	\$750,000	\$11,263,000	- \$723,700			
2005–2006	\$2,696,700	\$250,000	\$750,000 (\$350,000 for technology)	\$11,863,000	- \$2,802,400			
2006–2007	\$3,027,000	\$ —	\$1,000,000	\$11,763,000	- \$5,929,400			

In the absence of a funding review report, recommended grant increases in the last two fiscal years were the results of surveys of library boards on the costs of sustaining existing library services. Chart B illustrates the level of funding proposed and the shortfall:

B Proposed Increments and Results at the Provincial Level							
Fiscal Year	Proposed Provincial Increment	Actual Provincial Increase to Base Grant	Total Funds Available from Province	Variance			
2007–2008	\$1,800,000	\$1,000,000	\$11,763,000	- \$800,000			
2008–2009	\$1,600,000	\$500,000	\$12,263,000	- \$1,100,000			

In conclusion, the current funding formula, designed in 2003, no longer addresses the basic cost pressures faced by Nova Scotia public libraries, and recommended levels of provincial funding were not achieved. The impacts of population shift, the erosion of spending on library collections and programs, the rising costs of delivering core services, and the challenges of recruiting and retaining library staff have determined the need to develop a renewed approach to funding libraries.

Recommended Funding Framework

The appendix of this report includes a report and recommendations made by a consultant hired to develop a new funding framework built on an understanding of the costs of delivering 21st-century core library services and funding to core library standards. Analysis of the results of the consultant's survey and interviews have led to the identification of the following funding components:

- salaries and benefits
- collections standard
- supplies and services
- strategic development initiatives
- technology refresh
- French-language services

The consultant worked with the task force from mid-January to mid-April 2008. With the task force, the consultant drafted interview surveys for chief librarians and board chairs and for municipal funders. The surveys and interview process took place from mid-February to early March 2008. The surveys are included in an appendix to this report. The anecdotal and financial information gleaned from the interviews with the chief librarians led to the development of the proposed six funding components and what the consultant has termed a "transitional" funding model, proposed for the MOU time frame only, particularly in relation to issues around staffing in public libraries and the lack of standards in this area.

Funding to Standard

Originally, it was intended that the consultant develop a funding model based on core library service standards. A standards working group, composed of representatives from three library regions and public services staff of Nova Scotia Provincial Library, was tasked with conducting standards research and updating existing Nova Scotia standards for core library services. As a result, standards for collections and refreshing technology have been developed and are included in the proposed funding framework.

However, the group was unable to develop a true standard for staffing, the largest cost driver, without tying this standard to the existing 77 library buildings and seven bookmobiles. The number of library buildings and mobiles varies from region to region, and the rationale to build a library facility is a local decision. Current staffing levels and open hours are tied to the present numbers of these facilities and mobiles. A staffing standard based on facilities would be skewed to favour library regions that have several library buildings.

There was a consensus in the library community that further information was required before standards could be set to fund all components in the new formula. It is expected that, with the development of a collections standard and funding to that standard over the next three years, libraries will accept a use factor in the next funding formula once they have had the opportunity to build their collections.

The consultation process revealed that each library region takes a unique and local approach to decision making on library facilities and that each library region delivers core services with different staffing levels, classifications, and wages. Since it is beyond the scope of the committee to undertake a full, province-wide library facilities review, and since library facilities are built, funded, and maintained at the local level, and since there exist multiple approaches to staffing classifications and service levels, it was determined that a standard for staffing could not be defined within the time frame of this work and that further study and review of existing staffing levels be funded and undertaken during the time frame of the MOU. It is anticipated that the results of the strategic initiatives will inform negotiations of the next funding agreement.

Framework Components

Salaries and Benefits

In view of the different staffing models in Nova Scotia public libraries, a block-funding approach has been developed to fund the largest component of library operations, staffing and benefits. It is not recommended that this approach to funding staff be continued beyond 2011–12. The intent is to fund this cost driver in the way outlined below during the time frame of the MOU only, with the proviso that the library community determine a standard for staffing that takes into consideration best-practice service delivery including benchmarks for population, open hours, and use. A standard for staffing must be in place by year 3 of the MOU in order to determine future funding requirements in this area.

The amounts for salaries and benefits have been built on 2008–2009 funding. A 2.9 percent increase on salaries and benefits has been factored for each year of the framework. The 2.9 percent increase is proposed because it is in line with the increase provided to provincial government bargaining unit employees during the current collective agreement. In addition to the 2.9 percent increase, a step increment program is introduced in year 2, adding a factor of 1 percent to account for step increments experienced in each library region.

In addition to this, to help address issues around recruitment of new staff identified by libraries during the consultation process, youth employment seed funding is introduced in year 1 of the framework. This will allow libraries to participate in generating funding from federal grant initiatives. This amount will be carried through to years 2 and 3.

Collections

In developing the collections standard, the standards working group consulted a variety of international standards. Details of their research are in Appendix E of this report. The working group developed a standard that is in line with other jurisdictions and based on Canadian peer comparisons.

The formula for funding library collections is based on achieving a collection standard during the time frame of the MOU. By gradually increasing funding increments for collections, the standard is achieved by year 3. The formula for calculating the collections standard is

Population x \$25 (average cost per item) x 0.2 per capita (rural); x 0.3 per capita (HRM) = standard

A five-year collection spending average was calculated, and this provided a variance from the standard for each region. In year 1 of the framework, the collections grant equals the average cost of spending plus one third of the variance to the standard; in year 2, it is the average plus two thirds of the variance; and year 3 is the full amount of the standard.

A higher per capita rate has been set for HRM because of its population density, its capital city status, and the volume of use in this urban library region. The third percentage point is fully funded at the provincial level, acknowledging the role this region plays in supporting a strong, province-wide library collection.

Supplies and Services

The supplies and services component is a basket of all other library operating expenditures reported in the 2007–2008 library audited reports (excluding collections). This includes utilities, rent, insurance, legal fees, gas, travel, professional development, and all other remaining supplies and services essential to running library systems. The consultant undertook a Consumer Price Index trend analysis and recommended a 2.16 percent increase on these expenses. The proposed framework includes 2 percent increases in years 2 and 3, which will assist regions in dealing with increased costs in these areas.

Strategic Development Initiatives: Innovation and Review

As previously noted, the consultations revealed inconsistencies and differing approaches to delivering core services across the nine library regions. In order for libraries to move from a transitional funding approach to a funding model that will fully describe funding to standards, there is a need to establish high-level, best-practice service delivery models that will define staffing requirements for the future. It is also critical that libraries participate in a province-wide classification review to achieve standard classification bands for urban and rural library branches.

In order to make these changes over the next three years, a strategic development funding component is included in the funding framework. It is recommended that this component of the new funding formula be fully funded and administered at the provincial level.

Strategic development funding will allow libraries to innovate by developing and piloting service models that will be of benefit to and have universal application across all regional library systems. These pilots may include developing alternatives to full-service facilities, collaborative collections development approaches to achieve resource-sharing efficiencies, and development and sharing of existing local best-practice service-delivery models such as preschool and family literacy programming.

In order to address the issue of numerous staffing approaches, it is recommended that all regional libraries co-operate in a staff classification review during year 1 of the MOU. This review will take into account that two library regions have previously undertaken classification reviews, and this work will help inform the development of a province-wide review. A review will enable funders to better appreciate the funding requirements for staff in rural, small-town, and urban library environments. It will represent an essential step towards achieving a standard for staffing.

An operations review for public libraries is also recommended to ensure that libraries achieve best-practice efficiencies in their workflows and service design. Staff allocation models for core services such as circulation, information services, and readers' advisory services and programs will be developed.

Included in the strategic development component of the funding formula are grants to ensure project development and to implement initiatives such as One Card (the ability for all Nova Scotians to borrow and return materials to all public libraries in the province) and provision of virtual reference and readers' advisory services.

In his report, the consultant notes the impact of not funding strategic development and review during the MOU time frame:

Without a review fund, the funding to core services leaves libraries with a status quo level of funding for staffing and little capacity to collaborate on affecting change in delivery methods and achieving province wide efficiencies and savings. That is the primary reason this is termed as a transitional funding formula.

A strategic development initiatives committee, composed of neutral representation of provincial government staff, will determine detailed criteria for administering the strategic development grants to public libraries.

Technology Refresh

Technology is integral to library service delivery. Libraries depend on web-based library catalogues, patron databases, and integrated library systems. Many Nova Scotian library users depend on public libraries for access to the Internet. Research reveals that the library industry standard for hardware and software refresh is every three years. The proposed framework provides for a replacement of all staff and public access workstations during years 2 and 3 of the MOU. Base cost of hardware/software replacement is \$1200 per workstation, the Nova Scotia provincial government standing offer rate.

In addition, in year 2 of the framework, the technology component includes one-time grants to library boards for purchase of software for digitized content creation, which

will enable public libraries to capture and preserve uniquely Nova Scotian information. Included in year 3 of the framework is a grant to all regions to allow for upgrading integrated library system hardware.

French-Language Services

The final funding component extends a French-language grant to all regions, based on the number of French speaking Nova Scotians as counted in the 2006 census. A per capita rate of \$8.41 was developed from the last funding model, and this same rate is extended in this formula to all library regions. This funding will allow libraries to build French-language services in all Nova Scotia library regions.

Financial Impact

The financial impact of the new funding framework is included in Appendix A of this report. The sharing ratio for all library regions outside of HRM remains unchanged from the current funding formula at 71 percent provincial, 26 percent municipal, and 3 percent board. The sharing ratio for Halifax Regional Municipality has been redefined to more accurately reflect the contribution made by a larger urban centre to its public library; the sharing ratio between the province and HRM adjusted over the three years because of the increasing collections grant is year 1, 26.4 percent provincial, 70.6 percent HRM, and 3 percent board; year 2, 29.2 percent provincial, 67.9 percent HRM, and 2.9 percent board; and year 3, 29.5 percent provincial, 67.7 percent HRM, and 2.8 percent board.

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APPENDIX A Funding Charts

Regional Library Total	Audited Expenditures 2007–2008	Funding 2008–2009	Formula Projection Year 1 2009–2010	Formula Projection Year 2 2010–2011	Formula Projection Year 3 2011–2012
Annapolis Valley	\$2,232,312	\$2,291,001	\$2,480,009	\$2,755,927	\$2,953,219
Cape Breton	2,589,327	2,656,752	2,873,021	3,148,483	3,353,422
Colchester–East Hants	1,520,402	1,560,646	1,724,973	1,926,004	2,070,460
Cumberland	747,902	767,557	853,023	955,121	1,022,273
Eastern Counties	963,748	988,190	1,058,135	1,206,638	1,279,662
Halifax	17,900,704	18,356,917	18,653,418	20,472,026	21,282,609
Pictou–Antigonish	1,682,608	1,728,332	1,897,917	2,100,112	2,245,622
South Shore	1,324,523	1,360,488	1,504,013	1,670,849	1,800,900
Western Counties	1,575,083	1,614,819	1,714,897	1,971,781	2,079,187
Total	\$30,536,609	\$31,324,701	\$32,759,407	\$36,206,941	\$38,087,354

MOU Funding Framework Recommendation

*Notes to Chart A

2008/09 as described in Framework (500,000 PNS grant increase and leveraged funds) includes:

Salaries + Benefits increase = 2.9% Collection spending frozen at 07/08

Other expenditures increase = 2.765%

B Salaries +	B Salaries + Benefits								
Regional Library Salaries + Benefits	Audited Expenditures 2007–2008	Funding 2008–2009	Formula Projection Year 1 2009–2010	Youth Employment Year 1 2009–2010	Formula Projection Year 2 2010–2011	Youth Employment Year 2 2010–2011	Formula Projection Year 3 2011–2012	Youth Employment Year 3 2011–2012	
Annapolis Valley	\$1,602,455	\$1,648,926	\$1,696,745	\$30,500	\$1,763,410	\$30,500	\$1,832,695	\$30,500	
Cape Breton	1,807,192	1,859,601	1,913,529	30,500	1,988,712	30,500	2,066,848	30,500	
Colchester–East Hants	1,202,454	1,237,325	1,273,208	30,500	1,323,232	30,500	1,375,222	30,500	
Cumberland	538,858	554,485	570,565	30,500	592,982	30,500	616,281	30,500	
Eastern Counties	711,689	732,328	753,565	30,500	783,173	30,500	813,944	30,500	
Halifax	12,759,282	13,129,301	13,510,051	30,500	14,040,861	30,500	14,592,526	30,500	
Pictou–Antigonish	1,299,587	1,337,275	1,376,056	30,500	1,430,121	30,500	1,486,311	30,500	
South Shore	906,414	932,700	959,748	30,500	997,457	30,500	1,036,647	30,500	
Western Counties	1,165,212	1,199,003	1,233,774	30,500	1,282,249	30,500	1,332,629	30,500	
Total	\$21,993,143	\$22,630,944	\$23,287,242	\$274,500	\$24,202,197	\$274,500	\$25,153,102	\$274,500	

*Notes to Chart B

2008/09 = 2.9% over 2007/08

Year 1 Salaries + Benefits increase = 2.9%

Years 2 and 3 step increment = 1% yearly; Salaries + Benefits = 2.9% yearly

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C Other Supplies and Services Expenditures									
Regional Library Other Supplies and Services Expenditures	Audited Expenditures 2007–2008	Funding 2008–2009	Formula Projection Year 1 2009–2010	Formula Projection Year 2 2010–2011	Formula Projection Year 3 2011–2012				
Annapolis Valley	\$441,867	\$454,085	\$454,085	\$463,166	\$472,430				
Cape Breton	543,099	558,116	558,116	569,278	580,664				
Colchester-East Hants	194,302	199,674	199,674	203,668	207,741				
Cumberland	145,675	149,703	149,703	152,697	155,751				
Eastern Counties	137,529	141,332	141,332	144,158	147,041				
Halifax	3,117,316	3,203,510	3,203,510	3,267,580	3,332,932				
Pictou–Antigonish	290,615	298,651	298,651	304,624	310,716				
South Shore	350,051	359,730	359,730	366,925	374,263				
Western Counties	215,003	220,948	220,948	225,367	229,874				
Total	\$5,435,457	\$5,585,747	\$5,585,747	\$5,697,462	\$5,811,412				

*Notes to Chart C

2008/09 = 2.765% over 2007/08 Year 1 = 0% Years 2 and 3 = 2% yearly

Collections Standard								
Regional Library Collections	Audited Expenditures 2007–2008	Population July 2007	5-Year Average Spending on Collections	Formula Projection Year 1 2009–2010	Formula Projection Year 2 2010–2011	Formula Projection Year 3 2011–2012		
Annapolis Valley	\$187,990	101,384	\$194,559	\$298,679	\$402,800	\$506,920		
Cape Breton	239,036	114,514	270,030	370,877	471,723	572,570		
Colchester–East Hants	123,646	74,452	146,256	221,591	296,925	372,260		
Cumberland	63,369	32,347	72,515	102,255	131,995	161,735		
Eastern Counties	114,530	37,850	104,482	132,783	160,994	189,250		
Halifax	2,024,106	385,457	1,750,395	1,909,358	2,768,322	2,927,285		
Pictou–Antigonish	92,406	66,675	122,379	192,711	263,043	333,375		
South Shore	68,058	59,792	81,573	154,035	226,498	298,960		
Western Counties	194,868	61,676	190,323	229,675	269,028	308,380		
Total	\$3,108,009	934,147	\$2,932,500	\$3,611,918	\$4,991,327	\$5,670,735		

*Notes to Chart D

Collections Standard method of calculation:

Collections Standard = population x \$25 x 0.2 per capita (rural); 0.3 per capita (Halifax) Variance = Standard - 5 year average spending on collections (2003–2007) Province funds urban (Halifax) extra percentage point at 100% = \$2 million over 3 years

Year 1 = 5 year average spending + 1/3 of variance Halifax \$100,000 from Province

Year 2 = 5 year average cost + 2/3 of variance

Year 3 = 5 year average spending + 3/3 of variance Halifax \$1,000,000 from Province

Halifax \$900,000 from Province

Regional Library Computers	Number of Computers	Formula Projection Year 1 2009–2010	Formula Projection Year 2 2010–2011	Formula Projection Year 3 2011–2012	Digitized Content Creation Year 2 2010–2011	ILS Upgrade Year 3 2011–2012
Annapolis Valley	131	\$0	\$70,740	\$77,814	\$9,450	\$17,000
Cape Breton	130	0	70,200	77,220	9,450	17,000
Colchester-East Hants	102	0	55,080	60,588	9,450	17,000
Cumberland	65	0	35,100	38,610	9,450	17,000
Eastern Counties	66	0	35,640	39,204	9,450	17,000
Halifax	501	0	270,450	297,594	9,450	17,000
Pictou–Antigonish	99	0	53,460	58,806	9,450	17,000
South Shore	65	0	35,100	38,610	9,450	17,000
Western Counties	104	0	56,160	61,776	9,450	17,000
Total	1,263	\$0	\$682,020	\$750,222	\$85,050	\$153,000

*Notes to Chart E

Total computer refresh cost per region = percentage of computers x \$1,200 Year 2 computer refresh = total cost/2, funded at 90%; Year 3 = total cost/2, funded at 100%

F French Language Grant								
Regional Library French Grant	French Population 2006 Census	French Per Capita Rate	Formula Projection Year 1 2009–2010	Formula Projection Year 2 2010–2011	Formula Projection Year 3 2011–2012			
Annapolis Valley	1,886	8.41	\$0	\$15,861	\$15,861			
Cape Breton	1,025	8.41	0	8,620	8,620			
Colchester–East Hants	850	8.41	0	7,149	7,149			
Cumberland	285	8.41	0	2,397	2,397			
Eastern Counties	5,080	8.41	0	42,723	42,723			
Halifax	10,080	8.41	0	84,773	84,773			
Pictou–Antigonish	1,060	8.41	0	8,915	8,915			
South Shore	585	8.41	0	4,920	4,920			
Western Counties	11,775	8.41	0	99,028	99,028			
Total	32,626		\$0	\$274,400	\$274,400			

*Notes to Chart F:

French population based on French-only (mother tongue) Per capita rate = (Eastern Counties + Western Counties Grant 2007–08) / French-only population, 2001 census Formula projection for Years 2 and 3 = French-only population, 2006 census x French per capita rate

G Strategic Development Initiative							
Total over MOU	Funding Year 1 2009–2010	Funding Year 2 2010–2011	Funding Year 3 2011–2012				
\$900,000	\$300,000	\$300,000	\$300,000				

*No	ote	es	to	Cl	hart	G	

Fully funded at the Provincial level

H Cost Drivers as Percentage of Total								
Components	Year 1	Year 2	Year 3					
Salaries + Benefits	71.09	66.84	66.04					
Youth Employment	0.84	0.76	0.72					
Other Supplies & Service	17	15.74	15.26					
Collections	11.03	13.79	14.89					
Tech Refresh	0.00	2.12	2.37					
Language Fund	0.00	0.76	0.72					
Total %	100.00	100.00	100.00					

MOU Sharing Ratios

MOU Sharing Ratios			Actual Fund	Funding Ratios for Halifax*		
Funders	Halifax %	Others %	Halifax (2009/10) %	Halifax (2010/11) %	Halifax (2011/12) %	
Provincial Share	26.00	71.00	26.40	29.25	29.48	
Municipal Share	71.00	26.00	70.62	67.88	67.66	
Board Share	3.00	3.00	2.98	2.87	2.86	

26

*Halifax ratios vary due to 100% funding from Province for extra percentage point of collections standard

0						
Funding Shares 2009–2012	Formula Projection 2009–2010	Provincial Share 2009–2010	Municipal Share 2009–2010	Board Share 2009–2010	TOTAL YEAR 1	Provincial Allocation Share Year 1 (%)
Annapolis Valley	\$2,480,000	\$1,760,800	\$644,800	\$74,400	\$2,480,000	11.8
Cape Breton	2,873,000	2,039,800	747,000	86,200	2,873,000	13.7
Colchester–East Hants	1,725,100	1,224,800	448,500	51,800	1,725,100	8.2
Cumberland	853,000	605,600	221,800	25,600	853,000	4.1
Eastern Counties	1,058,100	751,300	275,100	31,700	1,058,100	5.0
Halifax	18,653,400	4,923,900	13,172,900	556,600	18,653,400	33.0
Pictou–Antigonish	1,897,900	1,347,500	493,500	56,900	1,897,900	9.0
South Shore	1,503,900	1,067,800	391,000	45,100	1,503,900	7.1
Western Counties	1,714,900	1,217,600	445,900	51,400	1,714,900	8.2
Total	\$32,759,300	\$14,939,100	\$16,840,500	\$979,700	\$32,759,300	100.0
Strategic Development		\$300,000				
GRAND TOTAL		\$15,239,100			\$33,059,300	

J						
Funding Shares 2010–20011	Formula Projection 2010–2011	Provincial Share 2010–2011	Municipal Share 2010–2011	Board Share 2010–2011	TOTAL YEAR 2	Provincial Allocation Share Year 2 (%)
Annapolis Valley	\$2,755,900	\$1,956,700	\$716,500	\$82,700	\$2,755,900	11.4
Cape Breton	3,148,500	2,235,400	818,600	94,500	3,148,500	13.0
Colchester–East Hants	9,126,100	1,367,500	500,800	57,800	1,926,100	8.0
Cumberland	955,100	678,100	248,300	28,700	955,100	4.0
Eastern Counties	1,206,600	856,700	313,700	36,200	1,206,600	5.0
Halifax	20,472,000	5,988,700	13,896,100	587,200	20,472,000	34.9
Pictou–Antigonish	2,100,100	1,491,100	546,000	63,000	2,100,100	8.7
South Shore	1,670,800	1,186,300	434,400	50,100	1,670,800	6.9
Western Counties	1,971,900	1,400,000	512,700	59,200	1,971,900	8.2
Total	\$36,207,000	\$17,160,500	\$17,987,100	\$1,059,400	\$36,207,000	100.0
Strategic Development		\$300,000				
GRAND TOTAL		\$17,460,500			\$36,507,000	

К						
Funding Shares 2011–2012	Formula Projection 2011–2012	Provincial Share 2011–2012	Municipal Share 2011–2012	Board Share 2011–2012	TOTAL YEAR 3	Provincial Allocation Share Year 3 (%)
Annapolis Valley	\$2,953,200	\$2,096,800	\$767,800	\$88,600	\$2,953,200	11.5
Cape Breton	3,353,400	2,380,900	871,900	100,600	3,353,400	13.1
Colchester-East Hants	2,070,500	1,470,100	538,300	62,100	2,070,500	8.1
Cumberland	1,022,300	725,800	265,800	30,700	1,022,300	4.0
Eastern Counties	1,279,700	908,600	332,700	38,400	1,279,700	5.0
Halifax	21,282,600	6,273,500	14,400,600	608,500	21,282,600	34.5
Pictou–Antigonish	2,245,700	1,594,400	583,900	67,400	2,245,700	8.8
South Shore	1,800,800	1,278,600	468,200	54,000	1,800,800	7.0
Western Counties	2,079,200	1,476,200	540,600	62,400	2,079,200	8.1
Total	\$38,087,400	\$18,204,900	\$18,769,800	\$1,112,700	\$38,087,400	100.0
Strategic Development		\$300,000				
GRAND TOTAL		\$18,504,900			\$38,387,400	

APPENDIX B Consultant's Report to the Library Funding Task Force

CompassPoint Management Group Inc.



Report to the Library Funding Task Force

Prepared By: Paul Richard P.Eng

April 11, 2008



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<u>1.0 – Executive Summary</u>

This report documents the background, methodology, and findings of the work carried out for the Library Funding Task Force in order to develop a new funding formula for Nova Scotia Public Libraries. It is intended that the recommended funding formula will support a Memorandum of Understanding (MOU) that will outline a funding strategy for each of the 2009/2010, 2010/2011, 2011/2012 fiscal years.

The intent of the task force was to build a funding formula based on an understanding of the financial costs of delivering core library services and the revision of library service standards, in order to ensure equity, affordability and sustainability across the Nova Scotia Public Library system.

Through the consultation process, the inconsistencies amongst the nine library regions in numbers of facilities, service delivery approaches, staffing and salary levels made the development of a useful standard for staffing impossible at this time. However, with the revision of a standard for library collections, we were able to develop a grant for library collections that leads to achievement of the standard by the third year of the MOU. It was also possible to develop a standard for technology refresh and to set a per capita rate for French language library services.

The consultation process has led to the establishment of a funding framework built on the following funding categories:

- · Staffing Salaries and Benefits
- Collections
- · Other Supplies and Services
- Strategic Development Review
- Technology Refresh
- French language

A template for each funding component as well as charts demonstrating the financial impacts for the three library funders, the province, the municipalities and library boards was developed and submitted to the project committee in April 2008. Details about the funding components are described in this report.

Because a standard for staffing is not yet in place, it is recommended that the Province and the Regions consider the funding model described in this report as a transitional funding strategy. The transitional funding includes resources to enable the Province and the library regions to work together to conduct the work that is required to build a standards based funding model by year three of the MOU time frame. This work includes a review of the staffing levels across the Nova Scotia pubic library system and the development of universal service delivery models applicable in the rural, urban and suburban library environments. A suggested approach for this service review is included this report.

In order to under take the reviews and development of new service models the funding framework includes Library Strategic Development and Review, fully funded and administered by the Province. The strategic development review is a necessary and critical action that needs to be undertaken to ensure sustainability for the Library community into the future. The recommended focus and approach to this strategic review is described in detail in section 5 of this report
<u> 2.0 – Background</u>

To assist in the development the funding formula, the task force contracted with CompassPoint Management Group. The principle role of the consultant was to work with the task force to:

- Solicit the views of the Task Force
- · Solicit the views of NS municipalities
- Meet with each Chief Librarian and Library Board Chair to determine their views on a new funding framework
- Review past Nova Scotia library funding reviews & formulae, other jurisdictions and current literature
- · Review the history of actual costs of library boards
- Determine cost drivers and cost characteristics of library boards in general and specific differences from board to board; identify methods of funding to standards
- Identify factors to be incorporated into funding framework; with Financial Working Group, test impacts
- Determine equitable allocation of provincial and municipal resources to regional library boards.
- · Recognize the unique cost characteristics and cost drivers of library board activities
- · Recommend a formula designed in such a way that it adjusts to changes in cost drivers
- Include consideration of cost implications of French language services and delivering services across large geographic areas to sparse rural populations (this was captured at the macro level through the development of an all encompassing collections standard)
- Consider elements of funding that should be "restricted" in their subsequent expenditure
- Include in the final report, the quantification of the financial effects projected from implementation of the recommended model
- Prepare a framework report and circulate preliminary draft for comment to Task Force by Spring 2008
- The formula will be recommended to the Department of Education, which has the full authority to accept, amend or otherwise deal with the recommendations
- Anticipated completion of the review is spring 2008

<u>3.0 – Methodology</u>

A collaborative process was undertaken and the consultation methods used were as follows:

- To prepare for the consultations, background research and review was undertaken by a standard's
 working group, a collaborative team of senior library staff from three library regions and public
 services staff of the Provincial Library. Standards research was global in nature and led to the
 development of a collections standard and attempts to define staffing standards based on existing
 number of branches.,
- Also reviewed were past NS library funding reviews & formulae, the NS School funding framework developed by William Hogg as well as funding approaches from other jurisdictions.

To ensure all key stakeholders were involved in this process, the following steps were taken:

- Interview surveys for library regions and municipal surveys were developed at an early task force meeting
- Face to face interviews were conducted in every library region to assess their needs and to capture their cost driver data.
- Municipalities were surveyed to identify their grant and non-grant contributions to libraries over the past 3 years.
- The task force met frequently from December 2007 to May 2008
- The financial working group tested the evolving funding formula.
- Ongoing work sessions were held with the consultant and departmental staff to review and process results.
- The interview data was compiled and analyzed by the consultant and the Financial Working Group and the Task Force reviewed the results and made further recommendations..
- · The results of the work are documented and compiled into this report

The table on the following page provides a more detailed description of the approach and Methodology used by CompassPoint Management Group and the core working team.

<u>3.0 – Methodology</u>

	ACTIONS	<u>OUTPUT</u>
Project	 Meet with Director, Provincial Libraries to get a clear understanding of project direction. Define project scope, strategies, methodology and schedule 	ENGAGED TEAM
Initiation	 Define project structure, roles and accountabilities (including roles of Provincial Library staff members) 	PROJECT PLAN
	Define critical success factorsDefine Project Boundaries and funding realities	MEETING SCHEDULE
	 Develop presentation for initial kick-off meeting with Library funding Task Force to explain approach. Identify project team (Task Force), set meeting schedule and standing agenda 	STAKEHOLDER LIST
	 Identify project team (rask Force), set meeting schedule and standing agenda Develop high-level project plan Establish key stakeholders contact list (Names, titles, location, e-mail phone #'s etc.) Identify project risks Establish communication strategy 	DATA COLLECTION STRATEGY
	 Solicit initial input from Task Forces Members on Funding Views for development of interview template/web survey. 	
	 Determine best strategy for data collection (i.e. interviews only or interviews and survey) Present and confirm high-level project plan 	
Consultation Process	 Collect and review existing documentation (Library boards cost history, past NS library funding reviews and formulae, information from other jurisdictions, NS School Board – Funding Formula Framework - William Hogg) Obtain revised standards from Standards Working Group and work with team to understand 	ASSESSMENT OF CURRENT STATE
	 Obtain revised standards from ortandards working droup and work with ream to drivers and each standard, its definition of success and its potential relationship to cost drivers Develop interview/survey tool to capture stakeholder needs, cost drivers and characteristics) a. ID attributes (desired state) required in the funding formula. b. ID potential problems and issues with respect to moving forward. 	UNDERSTANDING OF OTHER SYSTEMS
	 c. ID what to consider as Key Performance Indicators for the strategy renewal d. Ensure sustainability throughout process - ID Risks and risk mitigation strategies Launch data collection process (interviews and survey (if required)) 	IDENTIFICATION OF DESIRED STATE
	 Define project boundaries with stakeholders Gap Analysis (Current vs. Desired) 	IDENTIFICATION OF GAPS
Framework Design	 Develop a funding framework that examines various options. Test the impact of each option considered to each of the regions and the Province against the principles of equitable, affordable and sustainable 	FUNDING OPTIONS
	 Vet options through Financial Working Group to test acceptability. Review options with task force to select preferred option Present renewal concept to project sponsor and Senior Leadership 	
Final Report	 Refine strategy as required (including requirement for service review) Develop final report to include Description of approach and methodology Library Funding Formula and Framework Quantification of projected financial effects of options 	Final Report
	 Recommendations for Service Review to enable true standards based costing. 	

After careful consideration, the following 6 component funding formula was put forward to the steering committee:

Component 1 – Staffing

It is recommended that the Library Funding Task Force establish a transitional staffing funding formula approach that provides a 2.9% annual increase over existing salaries (based on current NS government collective agreement) for each year of the MOU. This approach is to be considered transitional through to the completion of a strategic review.

Component 2 – Collections

It is recommended that the Library funding Task Force use the collections standards developed by the Standards Working Group based on regional catchment population. The standard provided for 0.2 new items per capita annually in each rural region and 0.3 for Halifax at an average cost per item of \$25.00 This amount would be phased in over the three years of the MOU.

Component 3 – Other Supplies and Services

It is recommended that the Library funding Task Force use a block funding approach for calculating the other supplies and services funding levels. Based on the average CPI for the past 6 years, an increase of 2.16% should be applied to other supplies and services costs for each year of the MOU.

Component 4 – Strategic Development and Operational Reviews

- It is highly recommended that the Library Funding Task Force establish a Library Strategic Development and Review funding mechanism. This review is essential to provide capacity to undertake staffing, salary and service reviews and to identify potential cost savings and efficiencies during the time frame of the MOU. Resources must be deployed to undertake initiatives that have universal applicability in identifying and achieving standard service delivery models and best practices within the time frame of the MOU. All initiatives will benefit the provincial library system as a whole. The disbursement of these funds will need to be managed by the Provincial Library.
- In addition to the review component, funds should be allocated for disbursement to the regions to enable the implementation of innovative practices and pilots.

Without a review fund, the funding to core services leaves libraries with a status quo level of funding for staffing and little capacity to collaborate on affecting change in delivery methods and achieving province wide efficiencies and savings. That is the primary reason this is termed as a transitional funding formula.

- Funding to these levels does not provide opportunities for regional libraries to review service delivery and appropriate staffing levels
- Perpetuates 9 different classification systems and plan for change or innovation is not addressed.
- Apart from the collections component, this is a no-growth approach to funding.
- Recruitment and retention of staff not addressed.
- Service levels and models not addressed
- The point of service issues identified remain inconsistent

Component 5 – Technology Refresh

In order to continue delivering core services like circulation of materials, searching of online catalogues and databases, providing access to global information a 3 year technology refresh component is recommended. One third of each region's staff and public access computing hardware and software should be replaced each year.

Component 6 - Language Grant

It is recommended that the new formula extend the French language grant, previously received in only two library regions, to all French speaking Nova Scotians, using current population data. The per capita rate has already been set in the current French language grant.

5..0 – Library Service Review

As our team went across the province conducting the consultation process, it became apparent very early that in order to develop a full standards-based funding formula, a number of critical success factors must be in place. These were identified as:

- Defined core services
- · Efficient and effective service delivery models
- · Consistent and fair staffing and classification standards
- Identified and quantified cost drivers
- Consistent and accurate data
- A set of core services has been established for all Nova Scotia Public Libraries and is included Appendix C of this report. However, the degree to which those services are delivered varies considerably from region to region. These inconsistencies must be reviewed and re-designed to ensure the most effective and efficient service delivery models are available to each region.
- Surveys and interviews revealed the variance in the rates of pay from region to region. Staffing
 costs represent the largest cost driver in all nine library regions. The fact that there are several
 different staff classification systems makes it impossible at this time to develop and cost a fair
 and equitable staffing standard.
- There are inconsistencies in the data being reported from the regions, despite the development of Nova Scotia library performance indicators and data collection. Some of this is in the process of being resolved through ongoing training provided by the Provincial Library.

The desire to build a sustainable public library system for all Nova Scotians is shared by both the Province and the Regional Libraries. To accomplish this goal it is imperative that the Province and every Region work together to accomplish the following:

- Establish best practice service delivery models that are easily transferable to any region in the province.
- Develop the necessary components to build a standards-based funding formula for the future such as consistent service delivery and staffing models.
- Work together to identify and capitalize on efficiencies that can be used to deliver affordable and sustainable service improvements. (E.G. – More consortium/group purchases for items such as collections and professional services and implementation of appropriate workload measurement systems to ensure appropriate allocation of staff)
- Build an accountability framework to enable clear measurement of success and enhanced accountability.

The regional board governance structure ensures that the varying needs of the regional populations are understood and best served. It is important for the Province and the regions continue to work together to leverage their combined strength, expertise and knowledge to deliver a best practice service for all Nova Scotians.

To address the linkages and relationships between the critical success factors mentioned above, a strategic review and re-design needs to be undertaken with a key focus on the following areas:

- **Core Services** Core Library services are defined (see Appendix C) and have been established for Nova Scotia. It is these services that will form the foundation for the service delivery models. At this point these are not being delivered to the same standard level.
 - The review should be conducted focusing on defined core services as the foundation for the provision of library services for all Nova Scotians
- Service Delivery With the core services defined, the next step is to define and develop best practice service delivery models to deliver those core services. This is a very critical link in the process. Considerable effort has to go into developing the right staffing strategies, workload measurement, delivery process re-design and technology resources required to deliver best practice service.
 - Best practice service delivery models need to be identified.
 - These models need to be defined, process maps developed to ensure consistency and appropriate policy or guidelines developed. (E.g. consistent collection management process ranging from acquisition to disposition)
 - Finally, these service delivery models needed to be costed to assure affordability and sustainability.
- Points of Service To be truly effective and efficient, the public library system needs to develop a consistent and affordable means to define the appropriate points of service for a given catchment population (e.g. – physical facilities, books by mail, virtual libraries, mobiles, services to the home bound etc.). At present there are varying strategies used across the province, each of which has merit in their own right. However, to maximize service efficiency, the system needs to develop a consistent service point assignment methodology that takes into account population density, use and affordability.
 - Appropriate and accurate data with respect to population, population density and library use needs to be collected.
 - This data should be used to develop standards for the most efficient and effective points of service modeling on a consistent basis from region to region, rural, suburban and rural, that addresses service delivery, affordability and sustainability.
 - A process to identify all ongoing operating costs associated with each point of service decision should be established.
 - The condition, size and number of facilities vary significantly across the province. A capital infrastructure planning initiative should be undertaken to assess the library facilities throughout the province and plans developed to ensure sustainability into the future.

5.0 – Library Service Review

- **Use and Staffing** Use of library services varies from region to region, from branch to branch, from open hour to open hour. There are many factors that affect use, including population density, hours of service, age of collections, to name a few. A process could be developed to address these inequities so that the funding formula reflects appropriately developed staffing standards and use factors
 - Roles of staff are not clearly defined across the province. A staffing review is required to define consistent roles and broad classification bands
 - There is no consistent workload measurement system that helps libraries quantify staff need based on actual workload. This should be designed as part of a staffing review.
- **Consistent and Fair Salaries** Perhaps the most significant inconsistency across the province identified during the consultation process was the lack of fair and consistent salaries for both professional and para-professional library staff. This fact was confirmed during the subsequent cost driver analysis The impact of this problem is the difficulty in recruiting and retaining staff that all regions reported during the consultation process. Even in Halifax, where the salaries are the highest in the province, they have had to repost competitions several times before successfully concluding a competition. Call centers that are becoming more prominent in our rural regions are offering more competitive salaries than do our rural libraries. This does not enable the libraries to compete against other employment opportunities.
 - Significant salary inconsistencies indicate the need for a region-by-region salary classification review.
- Accountability Framework Another key component that is part of a best practice service delivery system is an accountability framework. The balanced scorecard is a strategic management system based upon measuring key performance indicators across all aspects and areas of an enterprise: financial, customer services, internal processes, and learning and growth. Halifax Public Libraries works within this type of accountability framework with HRM.
 - Accountability and measurement are a critical success factors to ensure sustainability.
 - To assure sustainability, a system of Key Performance Indicators (KPI's) needs to be developed. The current Nova Scotia performance indicators and data collections need to be adhered to on a universal basis, with monthly reporting
 - These KPI's have to be easy to collect, report and analyze.
 - An appropriate KPI reporting process has to be established and maintained to ensure accuracy, consistency and action.
 - The indicators should track performance and set targets around human resources, service delivery, finance and efficiency and library use.
 - A good tool used by many organizations is the balanced scorecard.

5.0 – Library Service Review

- Efficiency and Effectiveness A number of ideas and opportunities were put forward through the stakeholder engagement process that should be part of a service review that may help fund innovative solutions and improve service delivery. Some of these were as follows:
 - Shared Services (i.e. purchasing, auditor/accounting/legal)
 - Sharing of other facilities within each region
 - Merger /amalgamation opportunities
 - Sharing technology (i.e. currently there are 2 –Integrated Library System (ILS) systems, one for Halifax and one for the rest of the province. A fairly large potential cost saving opportunity would be to run and manage 1 system only)
 - Virtual services enhancement
 - Developing strategic alliances and partnerships

As stated earlier, the inconsistencies in service delivery, staffing, collections, library use, facilities and salaries make it impossible to develop an accurate and fair standards-based funding formula at this time. In view the following is highly recommended:

The 3-year MOU be considered as a transitional funding strategy that will enable the Nova Scotia Public Libraries work together to undertake a comprehensive service review and begin a strategic development process. The MOU should be developed with enough flexibility to enable the migration to a new model by year three. This review should be coordinated at the provincial level to ensure consistency in the process and results. It should be a requirement that all regions participate and cooperate in the process. The review process should not be managed separately for each region.

Appendix – A – Regional Interview Survey

CompassPoint Management Group Inc.



Nova Scotia Regional Libraries Funding Framework Model Stakeholder Cost Driver Interview Guide

Llbrary

1) - Demographics

a) - Your catchment population is - _____ (Jul 2006 Adjustment of 2001 Census)

C) – Please describe any special factors that should be considered when developing a funding framework for your catchment population:



<u>2) – Use</u>

Please provide to the best of your ability your annual utilization indicators for the following categories: (** **Data compiled for 2006/07 Annual Report)**

Use Category	Indicator
Circulation	
# Visits	
# On Line Visits	
# Holds	
Inter Library Loan Activity	
Public Access Computer Hours	
# Programs	
Program Attendance	
Information Requests	

3) – Collections

A) - Please provide to the best of your ability confirmation of the following information with respect to your current collection. (**Data Jan 2008 ILS Reports)

Use Category	Indicator
Total current size	
Amount less than 5 years old	
Number of Francophone items	

B) – Please describe any unique factors that you think should be considered with respect to your collection when developing the funding framework:



4) – Total Staffing Assessment

A) - Please complete the following information with respect to the total <u>**Branch**</u> staffing in your regions. (Dedicated Branch staff not regional staff)

	Staffing Function	Existing Complement	Staffing Need/ Shortfall	Salary Range	Benefits %
1.	Librarians				
1. 2. 3.	Library Assistants				
3.	Library Clerks				
4.	Other				
5.					
6.					
4. 5. 6. 7. 8. 9.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					

4) - Total Staffing Assessment (continued)

A) - Please complete the following information with respect to the total <u>**Regional**</u> staff you have. (Do not include branch staff)

5	Staffing Function	Existing Complement	Staffing Need/ Shortfall	Salary Range	Benefits %
1.	Administration				
2.	Finance				
3.	Interlibrary Loans				
4.	Books by Mail				
5.	Technical Services				
6.	Fundraising				
7.	Communications				
8.	Outreach Services				
-	(Books by Mail,				
-	Satellite Locations,				
	Bookmobiles, etc.)				
9.	Deliveries				
10.	Systems Support				
11.	Programming				
12.					
13.					
14.					

5) – Branches

Please provide the following information with respect to the branches in your region:

(*** Annual Circulation Data provided from ILS reports 2006/07)

Branch	Catch. Pop	% Pop= French	Own or Rent	Annual Rental Cost	Square Footage	Annual visits	Annual Circulation

Branch	# Branch FTE's (Do not include any regional)	# Meeting Rooms	# Bookings	# Public Access Computers	# Staff Workstations

B) – Please describe any special factors you think should be considered with respect to your branches when developing the funding framework:

6) - Mobiles

A) - Please provide the following information with respect to the number of mobiles in your region:

Number Of Mobiles	Annual Fuel Consumption (litres)	Annual Fuel \$	Annual Insurance Costs	Annual Maintenance \$

B) – Please describe any special factors that you think should be considered with respect to your mobile service when developing the funding framework:



Please provide the following information with respect to your books by mail activity

Postage Costs	Courier Costs	Other Costs

B) – Please describe any special factors that you think should be considered with respect to your books by mail program when developing the funding framework:



8) – Programs

Please provide the number of programs you are currently providing at each branch (**Data provided by SSRL Jan 2008)

Branch	Pre School	School Aged	Teen	Adult
Bridgewater				
Liverpool				
Lunenburg				

9) – Administrative Costs

A) - Please provide to the best of your ability confirmation of the following information with respect to your current regional administrative costs.

Expense Category	Annual Cost
Utilities	
General Maintenance & Housekeeping	
Grounds (i.e. – ploughing)	
Communication/Publications	
Non-Capital IT Costs	
General Supplies	
Travel	
Rentals & Leases	
Security Costs	
Professional Fees (legal/consultant/accounting)	
Debt Servicing	
Fundraising / Volunteer	
Fleet Costs	
-	
-	
-	
•	
•	
-	
•	
-	

Appendix - B - Municipal Survey



Municipal Cost Drivers - Supporting Regional Libraries

Please complete the following table with respect to your Library expenses over the past 3 years:

Name of Municipality:

	<u>2004/05</u>	<u>2005/06</u>	<u>2006/07</u>	<u>Average</u>
Annual Operating Grant:				

Annual contributions over and above operating grant:

Cost Driver	<u>2004/05</u>	<u>2005/06</u>	<u>2006/07</u>	<u>Average</u>
Rent				
Utilit(Pow,Wat,Heat,tele,etc.)				
Janitorial				
Equipment				
Furniture				
Insurance				
Repairs				
Snow Removal				
Grounds				
Professional Services				
Capital Paydown				
Other(operat mat and supp)				

<u> Appendix – C – Core Services</u>

Core Service	
Collections	Acquire, organize and maintain library materials in
	collections accessible to the public:
	 Provide relevant, balanced, and current collections
	 Selected by professional librarians
	In multiple print and electronic formats
	 Ensure local information and content Organized according to international standards
	 Ensure access to collections via integrated library system
Customer	Provide lending, readers and information services to the
Services	public:
	 Have facilities open to the public on a regular schedule
	Loan books and other formats for users to take home
	 Provide trained, expert staff to advise readers and information seekers
	Inform the public of the many services available to them through
	ongoing communications
Lifelong Learning	Present core programming to provide educational &
	 recreational opportunities for all ages: Provide learning & reading readiness opportunities for preschool
	 Provide learning & reading readiness opportunities for prescribor age children and their families
	 Provide programs to increase literacy skills at all ages
	 Showcase authors and present reading-related programs
	 Engage youth with learning and recreational programs
	 Engage older adults with learning and recreational programs
	 Present educational and recreational sessions of interest to the
	community
	Act as a support to the formal education system Provide sustainable information technology (IT)services to
Community	
Information	 the community: Have facilities for individuals to access the Internet and information
Technology	technology
	 Provide current IT hardware and software with high speed
	connections.
	 Offer technology training and troubleshooting to individuals and groups
	groups
Core Service	

Public Space	 Act as a vital agency in the community: Provide accessible spaces & facilities which welcome all ages and groups Partner with other groups & agencies to enhance local community life and development Provide remote access to library services and collections A dynamic web presence for the delivery of virtual library services 	
Regional Support Services	 Provide support services across region-wide systems: Coordinate and manage service delivery Provide expertise for technology and collection management Coordinate sharing of resources within the system and across the province Transport and deliver materials within the system and to library users Administer financial matters and coordinate human resources 	



Appendix – D – Stakeholder Engagement Model

APPENDIX C Library Funding Task Force Terms of Reference

Library Funding Task Force Terms of Reference November 2007

The Department of Education, in partnership with Library Boards and Municipalities, is undertaking the development of a Memorandum of Understanding (MOU) to address operating funding requirements for regional library boards for the following fiscal years: 2009–10, 2010–11, 2011–12. Funding requirements will be related to agreed upon core business standards. The MOU will also include a new funding disbursement model.

 Chaired by the Provincial Librarian, the Task Force will include representation from the Council of Regional Librarians (CORL): the chief librarian from Halifax Public Libraries and two chief librarians from other library regions, two members from the Library Boards Association of NS, two members from the Union of Nova Scotia Municipalities, one Municipal Chief Administrative Officer, the Senior Executive Director of Higher Education and Funding & Accountability staff from the Department of Education.

Providing support and secretariat work will be the Provincial Library's Financial Services Officer and the Coordinator of Public Services. A full team of staff at Provincial Library will be dedicated to producing documentation and information required to advance negotiations.

Each Task Force representative is expected to act for the agencies they represent and to ensure ongoing communication between the Task Force and those agencies. Decisions will be made via consensus.

- 2. The Funding Task Force is responsible for identifying and overseeing the development of the information needed to undertake MOU negotiations. This will include, but is not limited to, the identification of core library business standards and the development of a new funding disbursement formula.
- 3. The Task Force will oversee the work of a Financial Working Group, which will include a consultant, hired by Department of Education, to develop a new funding disbursement method. The Task Force will also oversee the work of a Standards Working Group which will be responsible for the revision of core service standards as identified by the Council of Regional Librarians.

4.	The guiding principles used by the Task Force are:
	<i>Equity</i> – freedom from bias or favouritism
	Accountability – obligation to accept responsibility for one's actions
	<i>Responsiveness</i> — providing dynamic responses to the changing library environment
	S <i>ustainability </i>
	<i>Transparency</i> — fact-based data and information available for public scrutiny
	<i>Effective partnerships</i> — responsibilities of library boards, municipalities and the Provincial Library and the province are set out in the Libraries Act; library boards provide governance for the management and operation of libraries; municipalities are co-funders and are represented on library boards.
	<i>Involvement</i> — active participation in and commitment to the development of the MOU and new funding formula
5.	The Task Force will meet, either face to face or via teleconference every month or as required. The expenses for the meetings will be borne by the Nova Scotia Provincial Library. Face to face meetings will be held at the Provincial Library at 100 Main Street, Westphal Plaza, Dartmouth.
6.	The Task Force is responsible for negotiating a Memorandum of Understanding on multi-year funding to regional library boards, ready for presentation to the Minister of Education by April 30, 2008.

APPENDIX D Library Funding Task Force Membership

December 2007–June 2008

Department of Education

Jennifer Evans	Director, Nova Scotia Provincial Library, Chair
Wayne Doggett	Senior Executive Director, Higher Education
Jan Bremner	Manager, Financial Advisory Services, Funding and
	Accountability
Michael Colborne	Coordinator of Public Service, Provincial Library
Denise Parrott,	Research and Planning Librarian, Provincial Library
Milica Kunovac,	Financial Services Analyst, Provincial Library

Library Boards Association of Nova Scotia

Gary Archibald	Chair of Western Counties Regional Library Board,
	LBANS Treasurer
Claire Detheridge	Cape Breton Regional Library Board, LBANS Chair

Council of Regional Librarians

Eric Stackhouse	Chief Librarian, Pictou Antigonish Regional Library
Judith Hare	Chief Executive Officer, Halifax Public Libraries
Cheryl Stenström	Chief Librarian, South Shore Regional Library

Municipalities

Jim Langille	Chief Administrative Officer, Town of Truro
Debbie Hum	Councillor, Halifax Regional Municipality, UNSM
John Patterson	Warden, Municipality of East Hants, UNSM
Lyle Goldberg	Policy Analyst, UNSM

AUGUST 2008

APPENDIX E Standards Working Group Report

February 2008

Overview

The Standards Working Group was struck in late November of 2007 and included staff from three regional libraries as well as the Nova Scotia Provincial Library. Provincial Library representatives: Michael Colborne, Coordinator of Public Services (chair), Denise Parrott, Research and Planning Librarian, Carol Morris, Public Library Consultant. Regional Library representatives: Faye MacDougall, Chief Librarian, Cape Breton Regional Library, Paula Saulnier, Director of Corporate Research and Development, Halifax Public Libraries, and Frances Newman, Chief Librarian, Cumberland Regional Library.

The Working Group's basis for discussion was the document: Core Business of Public Libraries in Nova Scotia, approved by the Council of Regional Librarians December 2007. It was anticipated that standards could be developed for each core public library service identified in this document, and that these standards could be used to determine the cost of each core service.

In preparation for the Group's discussions, Nova Scotia Provincial Library staff consulted standards documents from most state library agencies in the US, each provincial library agency in Canada, as well as the national library agencies in the UK and Australia. The most recent and relevant documents from this jurisdictional scan were distributed to all Standards Working Group members prior to the first in- person meeting held in mid-December of 2007. At this meeting, there was discussion of what standards would be adopted and/or developed for Nova Scotia public libraries. Members subsequently met via conference calls.

Collections

In establishing a standard for collections, the jurisdictional scan indicated international consistency in annual addition of materials per capita. In the United Kingdom the standard is the addition of 216 items per 1000 population.¹ The International Federation of Library Associations (IFLA) recommends an annual per capita acquisition rate of 0.25 (below 25,000 population), 0.225 (25–50,000 population), 0.20 (50,000+).²

¹ Public Library Service Standards, Revised 2007. (Department for Culture, Media and Sport)

² The Public Library Service: IFLA/UNESCO Guidelines for Development (IFLA Publications), 2001.

The Working Group recommends that annual additions to the collection be 0.2 for each region outside Halifax and 0.3 for Halifax, to allow for Halifax's population density and high use. This standard is supported by Canadian benchmarks. The Canadian Urban Libraries Council (CULC) reports that in 2006 the average acquisition rate for libraries serving populations below 120,000 was 0.20; for populations over 120,000 the average was 0.30.³

The recommended collections standard will result in 1.5 items per capita that is five years old or less for Halifax and one item per capita for the remaining regions. The 2006-2007 Nova Scotia average is .72 for Halifax and .41 for the remaining regions. An average cost per item was based on figures from the Library Services Centre in Ontario. In their publication Canadian Library Purchasing Power for Books and Materials, revised in August 2007, the average cost of a book is calculated at \$25.00.⁴ Using this figure, the cost of 0.2 items is \$5.00 and 0.3 items is \$7.50.

Technology refresh

The standard for technology refresh was defined a three-year refresh rate for computer equipment. This three-year rate is generally accepted in fields where computer technology is required for core public service delivery. A cost of \$1200.00 to replace computer equipment and software was adopted from Government of Nova Scotia standing offer computer/software refresh costs.

Staffing

Staffing cost drivers account for up to 70% of a regional library system's budget. In Nova Scotia, each regional library system has its own classification system and pay scale, and there is inconsistency in both job descriptions and remuneration from region to region. Hence, the Working Group was unable to compare staffing across regions at this time.

The jurisdictional scan identified standards on branch operations, such as open hours and numbers of programs, and corresponding staff to support these activities. Because there is currently no consistency in determining branch catchment populations in Nova Scotia regional libraries, however, these standards are not applicable at this time.

³ Derived from CULC data.

⁴ Canadian Library Purchasing Power for Books and Materials. Revised August 2007. Library Services Centre.

Further Recommendations

The Working Group recommends that, over the life of the MOU, work be done to determine standards for numbers of facilities, open hours, staff activity and other drivers of number of staff required to deliver core library services in Nova Scotia Public Libraries.