



## ***SOLS Board Summary February 2010***

### **Assurance of Funding – Ministry Business Plan Submission**

SOLS has submitted its 2010/11 business plan to the Ministry of Tourism and Culture. Business planning is an annual process that involves discussion with Ministry staff on SOLS' plans, briefing of the Minister and ultimately ministerial approval. As always, the plan is based on flatlined grants which, coupled with inflation, places considerable pressure on SOLS to maintain core programs. All told, by 2011/12 we will have an operating deficit of just under \$190,000 which is forecast to escalate to \$1.16 million 2014/15. To address this anticipated shortfall and stabilize our core services, we submitted a separate business case for an increase to our base operating grant of approximately \$300,000 beginning in 2011/12. This business case also addresses pressing library needs in order to provide equitable access to library services and to electronic resources. SOLS is seeking an additional increase of \$500,000 to address those needs.

### **Assurance of Funding – MPP Visits**

At the June meeting the Board developed a plan for visiting all MPPs in SOLS' service area and nine visits were completed over the summer. At the October meeting, the Board agreed to target visits with MPPs who are members of the Standing Committee on Estimates or the Standing Committee on Finance and Economic Affairs and to participate in the Government's Pre-Budget Consultations. At this meeting, they also identified Parliamentary Assistants in key financial ministries, opposition critics and other key MPPs.

The focus of the visits remains the issue of longstanding flatlined operating budgets. Flatlining, coupled with inflation, erodes SOLS' budget by 3% each year resulting in cuts to services. We have lost ten positions over the last five years and are already down to core business. Without a base increase, we will have no option in 2011/12 but to cut core services again and/or introduce new user fees (such as for delivery). At the Pre-Budget Consultation and with the pending visits, we are asking for a base increase using the specific figures identified in 2010/11 business plan and business case.

### **Assurance of Funding – Other Target Groups**

The Board also considered whether there are other influential people or groups that it should target with the message about SOLS' financial situation. The Board agreed to visit the five members of AMO's Executive Committee. Further discussion of possible target groups and strategies is scheduled for the June Board meeting at which time we should know our budget for the 2010/11 fiscal year.

### **Linkage Development – OSUM (Ontario Small Urban Municipalities) Conference**

SOLS will be participating in the trade show at the OSUM conference to be held in Stratford in May. As with the AMO conference, the purpose of our participation is to raise the profile of SOLS with municipal decision-makers and the MPPs who attend the conference. This will be the third year that we have had a booth at OSUM. As with MPPs and AMO, the focus of our message this year will be the impact of longstanding flatlined operating budgets and the need for a base increase in 2011/12 to stabilize our core services.

### **Linkage Development – Trustee Councils**

At the fall Trustee Council meetings, the Board presented SOLS' financial situation and provided a one page summary for Council members to use with their own boards and their local MPPs. At the February meeting, the Board agreed to continue the messaging on SOLS' financial situation and provide a summary targeting other groups, such as municipal councilors, for trustees to use locally (attached).

### **Election at Trustee Council 2**

An election will be held at the Trustee Council 2 meeting this spring to fill the vacancy left by the resignation of Sandy French from Halton Hills. [Election information](#) will be distributed with the TC2 agenda.

### **Invitation to the Minister of Tourism and Culture to Meet with SOLS Board**

The Board was very pleased to meet with the Minister of Culture at its February 2009 meeting. With the appointment of a new Minister and in accordance with our Memorandum of Understanding which says that "The Minister is responsible for meeting with the Board annually", we have sent a welcome letter to Minister Chan and invited him to attend the June 2010 Board meeting.

### **Operations Plan Update**

An update on SOLS' services is available at [www.sols.org](http://www.sols.org).

### **Next Board Meeting**

The next meeting of SOLS' Board is scheduled for Friday, June 11 and Saturday, June 12, 2010 at SOLS' office in Toronto.



## Role and Challenges

### *Introduction*

Ontario public libraries are created by municipal by-law and governed by boards appointed by municipal council. SOLS is established at the provincial level by Minister's Order as a special library service board. Our services are provided to the 192 library systems in southern Ontario with some services available province-wide. SOLS' overriding consideration is that the people of Ontario will have equitable access to library services.

### **Supporting Government Priorities**

Libraries support the Government's priorities in several ways. Here are a few examples.

#### Education

- Libraries serve young children. The library is where they first learn to read - which is the basis of their future literacy skills and educational achievement.
- Libraries serve students. The public library is where they go (in person or online) after school and on weekends to study and access resources.

#### Economy

- Libraries assist job seekers. They use the library to upgrade skills, search for suitable jobs, prepare resumes and apply for jobs.
- Libraries support businesses, especially small businesses, which rely on libraries to access business information that they can't afford to buy on their own.

#### Vibrant Communities

- Libraries are community hubs. Newcomers, youth at risk, seniors and others connect to each other and to the resources that they need at the library.

### **SOLS' Services**

SOLS assists these libraries by:

- ▶ Expanding the materials and resources libraries make available to their communities. Through our interlibrary loan service, libraries borrow over 226,000 items annually from other libraries. This figure grows about 5% every year. Interlibrary loan ensures that Ontarians have access to information even if their own library does not own it.
- ▶ Supporting equitable access to electronic resources. Through grants from the Ministry of Culture, all Ontarians have free access to commercial databases through their libraries. SOLS' services bridge the gap between the availability of the licenses and the public libraries' awareness of and ability to use them. SOLS provides training sessions and is launching a website called Compass to support use and marketing of the products.

- ▶ Helping libraries meet basic standards for library services. We know that about half of our client libraries are unable to meet basic standards for library service. These libraries are mostly small libraries under 30,000 population and First Nations libraries. SOLS assists individual libraries with policy development, planning, and training.
- ▶ Developing the basic library skills of library staff and supporting their continuing education. SOLS provides distance education opportunities to ensure that all Ontarians have access to skilled, well informed, and up-to-date staff in their communities.
- ▶ Delivering initiatives of the Ministry of Tourism and Culture such as a) the Internet Connectivity grant through which 216 libraries throughout the province receive high speed connectivity, b) the First Nations Consulting services which targets the specific needs of First Nations libraries and c) the \$15 million investment in public libraries.
- ▶ Organizing economies of scale purchases of goods and services for collections including large print, talking books, ebooks, audiobooks and databases.

## Challenges

Over the last ten years, SOLS has experienced either flatlined budgets or cuts to our operating grant. As a result of the budget cut in 2005/06, our operating grant dropped 17% to \$2,755,905 where it still is today. The annual impact of inflation and rising costs for SOLS is currently \$60,000. At \$2.5 million, SOLS' expenditures for salaries and benefits represent 91% of our operating grant. As a result, any strategy to mitigate the impact of flatlined grants coupled with inflation, must involve reductions to staff and reductions in our core services.

Over the last ten years total FTEs (full time equivalents) has dwindled by 28% (from 47.20 to 33.98). Our consulting support for small libraries has been particularly hard hit – dropping over 52% in five years from 14.5 FTEs in 2004/05 to 7 FTEs in 2009/10). In addition, SOLS receives a special grant from the Ministry of Tourism and Culture to support First Nation public libraries. The grant is currently set at \$106,501 per year which will cover the expenses of the program in 2009/10 but will fall short after that.

All told, by 2011/12 we will have an operating deficit of \$189,453 which is forecast to escalate to \$1,160,460 by 2014/15. To address this anticipated shortfall and stabilize our core services, we will need an increase to our base operating grant of approximately \$300,000 beginning in 2011/12.

We would like to go beyond that though. At the same time as we have been losing positions, small and First Nations libraries are unable to meet basic standards for library service and face new demands for providing electronic resources. To assist libraries to meet these challenges and ensure equitable access to library services for all Ontarians, SOLS proposes to restore consulting capacity, focusing on needs such as French language services and IT support, and to expand training opportunities in basic library skills, supervision, and electronic resources. To do so, we estimate needing five additional FTEs. Using \$100,000 as the annual cost per position (includes salary, benefits and overhead), we would need a further increase to our base operating grant of \$500,000.

In conclusion, we ask that the Ministry of Tourism and Culture recognize the difficulty of maintaining services within flatlined operating allocations over such an extended period and add \$300,000 to our base operating grant to stabilize our core programs. To address pressing library needs, we are seeking an additional increase of \$500,000 for a total increase in our base operating grant of \$800,000.