



CALGARY PUBLIC LIBRARY

# Board Meeting

5:30 PM, Wednesday, September 28, 2016  
Meeting Room 6<sup>th</sup> Floor South, Central Library





## Agenda

- I. Chair's Opening Remarks**
- II. Review of Agenda**
- III. Consent Agenda**
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- IV. Business Arising**
  - A. Business Arising from the Minutes
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*- Mr. Bill Ptacek, CEO Information*
  - A. New Outreach Efforts ...verbal  
*- Mr. Mark Asberg, Director, Service Delivery Information*
- VI. Audit & Finance Committee**
  - A. Report of the July 19, 2016 Meeting ...20  
*- Ms. Debra Giles, Committee Chair Information*
  - B. June 2016 Quarterly Risk Update ...24  
*- Ms. Debra Giles, Committee Chair Information*
  - C. Controller's Report for the period ended June 30, 2016 ...30  
*- Ms. Debra Giles, Committee Chair Information*
  - D. Operating Budget Adjustments: Q2 2016 ...44  
*- Ms. Debra Giles, Committee Chair Decision*
  - E. Review of External Auditor Appointment ...48  
*- Ms. Debra Giles, Committee Chair Decision*

**VII. Governance Committee**

- A. Report of the September 7, 2016 Meeting ...50  
- Ms. Shereen Samuels, Committee Chair *Information*

**VIII. Strategy & Community Committee**

- A. Report of the July 11, 2016 Meeting ...52  
- Ms. Judy Gray, Acting Committee Chair *Information*
- B. Report of the September 12, 2016 Meeting ...56  
- Ms. Catherine Angus, Committee Chair *Information*

**IX. Calgary Public Library Foundation Board**

- A. Update ...verbal  
- Mr. Rob Macaulay, Board Representative *Information*

**X. Other Business**

- A. Motions to Reappoint Calgary Public Library Board Members  
Whose Terms are Expiring ...60  
- Ms. Shereen Samuels, Chair, Governance Committee *Decision*
- B. Approval of Recommendations of Governance Committee  
on New Board Member Candidates ...62  
- Ms. Shereen Samuels, Chair, Governance Committee *Decision*
- C. Report of the Board Retreat Planning Committee ...verbal  
- Ms. Judy Gray, Lead, Board Retreat Planning Committee *Information*
- D. Wordfest Partnership ...66  
- Ms. Sarah Meilleur, Acting Director, Service Design *Information*
- E. Staff Engagement ...verbal  
- Mr. Mark Asberg, Director, Service Delivery *Information*

**XI. Adjournment**

Report to the  
Calgary Public Library Board  
September 28, 2016  
**Chair's Report**

July 12	Board Member Recruitment meeting with consultant
July 13	CEO Compensation Meeting #1 with consultant attending by telephone
July 18	Kick-off meeting with CULT collective
July 19	Audit & Finance Committee Meeting
July 27	CEO Compensation Meeting #2 with Board only
Aug 2	Sun Life Arts & Culture Pass Launch
	ULC Audit committee meeting - telephone
Aug 4	Meeting with CULT Collective, a marketing engagement agency
Aug 5	Phone call with Peter Boland to review agenda ahead of August 9 meeting
Aug 9	CEO Compensation Meeting #3 with consultant attending in person
Aug 11 -12	ULC Executive Board meeting in Columbus, Ohio
Aug 15	Informal get-together of Board Members
Aug 19	Filming for Library Volunteer video
Aug 25	Phone call with Brian Heidecker, EPL Chair regarding November 5 joint meeting
Aug 26	NCL Group Site Tour
Aug 31	Breakfast meeting with Shereen – Midterm discussion
Sep 7	Governance Committee Meeting
Sep 9	Board recruitment interviews
Sep 10	Grand Opening of Quarry Park Library
Sep 12	Strategy & Community Committee Meeting
Sep 12	Board Agenda meeting with Bill and Catherine
Sep 13	Catch-up meeting with Rob M.

Sep 15	PC with Brian Heidecker, EPL Board chair
Sep 16	Meeting with Kent Hehr, re: a national program to get every kid in Canada a library card (Bill, Janet, Paul MR) – ULC Initiative
Sep 20	CEO Comp meeting Foundation Board Meeting
Sep 21	Retreat Planning Kick Off Meeting
Sep 28	Library Board Meeting

Throughout July, August and September:

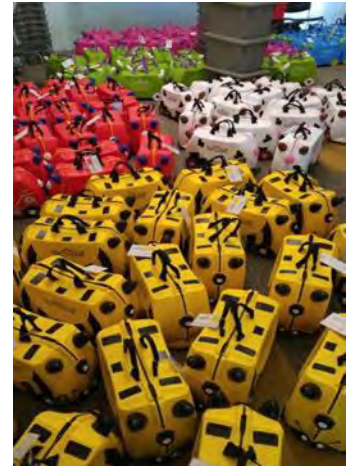
- Background work and updates to Board on CEO Compensation Review
- Background work and updates to Board on Board recruitment process
- Background work and meetings on ULC initiative re: library cards.

Janet Hutchinson  
Board Chair

Report to the  
Calgary Public Library Board  
September 28, 2016  
**Chief Executive Officer's Report**

**Government Relations**

The Quarry Park Library opened on July 2<sup>nd</sup>. In the Monthly Overview there are numbers of visits and circulation counts which have both risen dramatically over the Glenmore Square Library. Part of the success of the new library is the Trunkis which were all out in circulation the first week that the library was open.



Mayor Nenshi mentioned at the official opening that he had seen and heard about the Trunkis. Randy Remington, who built Quarry Park and for whom the Center was named, is interested in getting some for his grandkids. Councillor Keating was so taken with them that he decided to take one for a spin.



In a briefing from the Transit Department on the Green Line, we were pleased to hear that a new Judith Umbach Library was shown in the middle of a new Transit Oriented Development at 64<sup>th</sup> and Centre Street. Apparently all of the interactions that various folks from the Calgary Public Library have had in the lectures and design charettes have paid off. A new round of design workshops is starting this month. This time they will focus on the Green Line just north of downtown. The Library has its sights set on a new Library at 16<sup>th</sup> and Centre. Again we envision

something like the Nichols Library that would be integrated into the Transit infrastructure at that location.

Every summer the Community Services Administration reports to the City's Audit Committee. As in previous years, the Library has been given a satisfactory rating and not a good rating. While the report is given in camera, we have been told that the reason for this lower rating is that the Library does not maintain a reserve to match the depreciation of capital assets. However, the Library does not own any of the Library facilities. It would not seem to make sense to segment a large portion of our budget into a reserve account to cover the depreciation of assets that we do not own. It would also be unrealistic to set aside enough money to replace our facilities at current level costs. We are hoping that this accounting conundrum can be cleared up in a soon to be scheduled meeting between our Finance Director and the City's Community Services Finance Director.

The Library, more specifically the staff members from the Central Library, have activated our first "Pop Up" Library in the Lido Building in Kensington. Thanks to Councillor Druh Farrell for suggesting to the developer (Paul Battistella) that a library would be a good idea in his new building. Once the space was made available (donated at least until next year or as soon as it is rented), a number of permitting challenges arose. Again we are thankful to Councillor Farrell and her staff for brokering a great solution with the City's Planning and Zoning Department to come up with a common sense solution that will work for this site and future iterations of "Pop Up" outreach sites. There will be a more in depth report on this development at the Board meeting.

The City's Corporate Properties Division has completed the purchase of land that will house the new Symons Valley Library. They have purchased a seven acre parcel that is immediately across from a recently opened Walmart Store in the far northwest area of the city. While the Library needs only 1.5 acres, more land was purchased to accommodate other services or facilities in keeping with a recent directive from City Council that new civic assets be developed in integrated sites. A consulting firm has been hired to master plan the site and we hope to begin design on the new 18,000 sq ft library as soon as that process is finished.

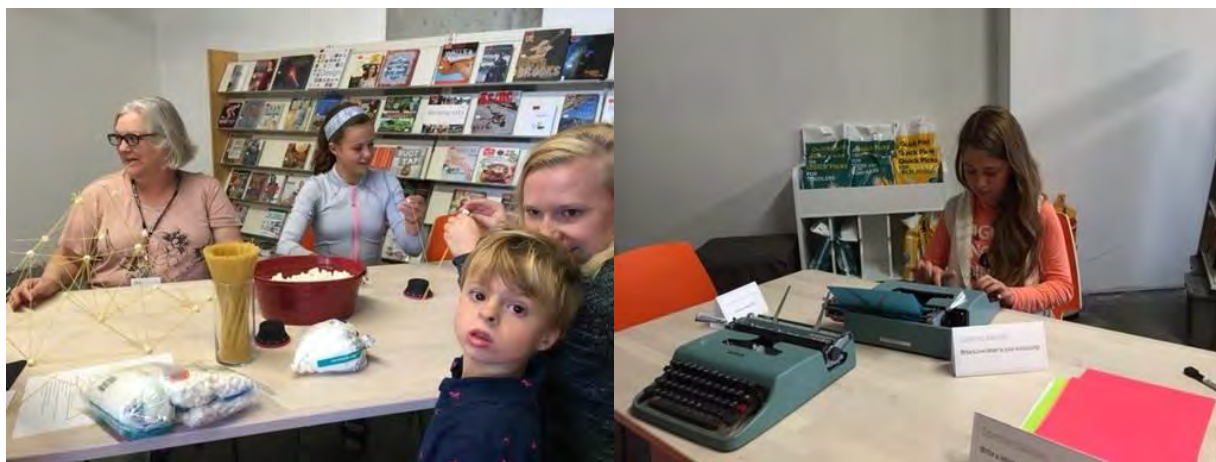
The City of Calgary has requested that the Library sit on two new advisory committees. The Calgary Local Immigration Partnership has asked that we sit on the council for this organization and participate in many of their working groups. The Library has already been playing a significant role in providing services and assistance to new Canadians so this connection makes sense. We have also been asked to serve on the City's Civic Innovation External Advisory committee. This effort is geared to channeling ideas from City staff and ultimately from Calgary's citizens into the right units of the City for consideration and/or implementation. We have supplied an initial challenge for City staff to develop ideas of how to make the intersection in front of the Library more welcoming to all Calgarians. The challenge was co-sponsored by Owen Key the City's Head of Corporate Security.

Last week Janet and I met with MP Kent Hehr to suggest a project that came from our Board Chair, Janet Hutchinson, and her work with the Urban Libraries Council. The proposal is that the Federal Government champion a project that mirrors a U.S. effort that encourages local governments, schools and public libraries to ensure that all kids in school get a library card. The MP loved the idea and is going to pass it on to the current Minister of Youth who also happens to be the Prime Minister, Justin Trudeau. The proposal is co-signed by Vickery Bowles who sits with Janet on the ULC Executive Board.

## OPERATIONS

In March 2016, Service Delivery started a project to re-imagine the service and role of Memorial Park Library. In line with the strategic direction of Strengthening Neighbourhoods in a Growing City, the primary goal of the project was to establish Memorial Park Library as a target destination for its current and future demographic, and the wider City of Calgary, through identification and creation of new relevant programs, services and facilities. In these conversations, the community identified opportunities for Memorial Park Library to expand its role as a community hub where local citizens can connect and engage with each other, to respond more effectively to the community's need for leisure and learning space (including outdoor space) away from work and home, and to provide an array of cultural experiences from music and art to literature, travel and health. You can look forward to such exciting changes as increased hours of service, curated collections designed to enhance the browsing experience, and more space opened up for innovative and interactive programs and community activities.

As was mentioned above, after a busy summer of planning, the Library launched a new patron experience at the beginning of September in the heart of Kensington, in the Lido by Battistella development at the corner of 10th Street and 2nd Avenue NW. This innovative initiative would not have been possible without the generous support of Battistella Developments and the assistance of the BRZ. This effort not only promotes the Library as an engaging experience and destination, but also brings the Library closer to home so that Calgarians who may not have recently experienced the Library can rediscover what it has to offer. The new Library experience temporarily activates an otherwise unused commercial space, promoting pedestrian traffic, local interest and citizen engagement. In addition, the location will serve as an incubator for new programs and ideas that will contribute to the Library's continued growth and innovation. Specifically, the Library is trialing three streams of programs in the space – on Thursday evenings, patrons can take part in *Drag and Drop-in Adult Coding Class*; on Saturdays, it's *Unplug and Play Challenges for All Ages* and Sunday's offering is a *Literary Salon*, including such offerings as storytelling, typewriting, and *Shut Up and Write Sundays*.





Team members across the system were actively promoting literacy and the Library throughout the city over the summer months. Some examples include:

- The Book Truck started regular stops in Millican-Ogden, helping ensure that the Library still has a presence in the community after the Library's move to Quarry Park.
- The Book Truck also took part in such high profile events as the Calgary Folk Festival, CBC's Stampede Breakfast, East Village's Canada Day Festival, the Little Free Library event at CBC Radio, the Braeside Community Parade, and BMO's Kids Day at the Stampede Grounds.
- The team has been working to extend the library experience beyond the walls of Central Library, for instance organizing art activities through *Create! in the East Village* and launching the *Library on the Ave* project on Stephen Avenue, which included trials of both Book Truck and the Library's new Uni portable display shelving in the City's pedestrian core.
- Extensive outreach to school aged children took place, including over 450 visits to schools for *Welcome to Kindergarten* events and to promote *Summer Reading* and the *Million Question Challenge* and participation in over 40 *Park N' Play* and *Stay N' Play* events all over the city, including Auburn Bay, Evergreen, Canyon Meadows, Killarney, Bankview, 12 Mile Coulis, Taradale and Winston Heights.

*Book Truck at Folk Fest*



*Create! in the East Village*



The launch of Engine 23 was a great success, and the installation has been surging with visitors ever since. In the first three months of The New Adventures of Engine 23, the Library delivered 86 formal programs in the installation with combined attendance of 4,495. Throughout the day families, and children in particular, are drawn to the fire truck: exploring, playing, reading, and hearing and sharing stories. Story times have been very popular with up to 70 attendees; we've even added microphones to the standard equipment for Engine 23 story tellers to ensure they can be heard over the hustle and bustle of Central's newly rejuvenated main floor. In August, the Library's first fire truck field trip was organized from a community library; a group of 56 excited children and families departed from Crowfoot Library on a chartered school bus, taking in the city scenes like the Bow River, the Calgary Tower, and the skyscrapers, and arrived at Central Library ready to play. The fire truck drew many in this group to Central Library for the very first time.



*Forest Lawn Library Wonder Wall*

The **Million Question Challenge** and **TDSRC** launched on June 18th. Every Library (and Book Truck) had a Wonderwall in place to engage kids in reading, writing and creative thinking. The final counts indicate that over **21,160 children** registered for one or both of our summer programs (2015 registration: 20,200; 4% increase). **15,100 children** registered and asked over **150,000 questions**, including participants from partners like the Calgary Zoo, Boys and Girls Club and Heritage Park who distributed Question Journals through their summer camps.

Forest Lawn's **School's Out for the Summer** drop-in lunch program started June 29<sup>th</sup>. The number of participants ranged from 40-60 kids each day. Lunch was handled by Library volunteers. A last minute donor provided \$5,000 to the project. Another last minute addition to the project came from **I Can for Kids**, a charity that supplies weekend food packs to high needs communities. Kids who attended Friday's program at the Forest Lawn library were able to take home a non-perishable food pack for the weekend. Evaluation of the program and plans for next summer have already begun.

The hoarding on the new **Children's Library at Village Square** came down on August 31. The Children's section of the Library was officially closed off to public from August 9-31 to install new millwork elements including: a baby/toddler space, a reading nook, puppet theatre and dramatic play station, small build activity tables, and creative/writing spaces.



The Design Team welcomed Stephanie Nemscok to the team on July 29<sup>th</sup>. Stephanie has a rich experience in design from her work at TELUS Spark, where she had been leading the SHIFT lab program, designed to dramatically shift the thinking and practice of educators. She has a Bachelor's in Political Studies and International Development, a Masters of Museum Studies and has completed courses in Human Centered Design through IDEO. The Design Team also welcomed Kate Schutz to the team on September 6<sup>th</sup>. Kate comes to the Library from the National Music Centre where she was in charge of educational programming. Kate has also worked at the Glenbow and Fort Calgary, has a Masters of Education Degree, and is an artist (her work is currently hanging in the Rosso coffee shop on 8<sup>th</sup> Avenue). Finally, the new position of Service Design Lead, Indigenous communities Liaison was posted and has had a good response. Interviews have already begun. The Board will hear more about the work of this team in October when Sarah presents the service plan for the new Central Library.

This "Monthly Overview" includes statistics for the three months of summer. There are over 80,000 new members this year. Visits for the year are up by 10%. There is also a quick analysis of the usage of Glenmore Square and Quarry Park in the "Featured Number" section of the report. As in past months the circulation has not changed despite all of the other indicators of increased use. But that is not for lack of trying. The curated collections which includes the childrens' themed collections, paperback collections and the adult themed and recommended collections has an aggregate 66.23% in circulation. In March these collections were 59% in circulation. The entire collection has a circulation rate of about 31%. So these collections are being used twice as much as the overall collection. Staff members are currently piloting ways to make the children's non-fiction collection more attractive and useful to kids and their parents.

## OTHER

The Library received good media coverage for the August 2nd celebration of the Re-launch of the **Sun Life Arts + Culture Pass**:

*“As the lagging economy continues to grind, leaving more Calgarians out of work and struggling financially, arts and culture has become more accessible for those who can’t afford it”*

*Calgary Herald, August 2, 2016*

The story of this initiative was also covered by The Montreal Gazette, Edmonton Journal, 660 News, and CTV Calgary. The event was successful and well-attended. It included guest speaker Ian David Moss of Fractured Atlas, and Paul Joliat, Assistant Vice-President, Philanthropy and Sponsorships, Global Marketing at Sun Life Financial. The momentum continues to grow with partner commitments to this unique service that provides life enriching experience for low-income Calgarians and receives patron testimonials on a daily basis.

The Foundation is getting ready to move into its new home in the Hillier Block Building in East Village. This used to be the home of CMLC until they moved across the street to the renovated St Louis Hotel Building. CMLC has donated the rent to the Foundation and the NCL Project is contributing to the development of a “New Central Library Experience Center” on the first floor of Hillier.

The Foundation has also been busy with tours of community libraries. They have expanded “Get to Know Your Library” which tours groups of up to 15 people to one tour a week this fall.

Staff from across the system drove to Red Deer to participate in the 2nd annual CPL-EPL soccer championship, which was played to a 5-5 draw. Calgary leads the series and Calgary team members anticipate that Edmonton’s near win will encourage them to try again next year.



## MISSION MOMENT

This is from May Lee Muzika in MarCom:

When I went to the Home Depot in Marlborough looking for crafting supplies, I never imagined that I would find such avid supporters of the Calgary Public Library there!

The first department that I stopped by was the Paint section where I was hoping to purchase paint sticks for the Storytime Flag to hold it up. When I explained why I needed them, the older woman who was working there suddenly became enthusiastic and animated about children's Storytimes and the work of the Library in promoting early literacy. Without even showing her the prototype of the flag, she asked how many paint sticks I required and proceeded to give me a bag full of them.

"I will do anything I can to help children learn to read! We need the Library so much these days! I love the Library because they care about helping children and society. I can't believe everything that you do!" gushed the lady the whole time that she filled a shopping bag with what must have been 100 paint sticks! She continued to loudly praise everything that the public library did which was very amusing since every customer in earshot heard all the good things she had to say. She was so kind in giving the paint sticks to us that when I returned partway through my shopping trip with the Storytime Flag prototype, she about melted at the sight. Needless to say, she treated the project as the highlight of her day!

The next department I went to was electrical and wiring so that I could purchase some wire to hold up the flag. The gentleman that helped me seemed to dive right into the project, giving me advice about what type of wire would work best. He even disassembled the prototype to discover if there were better ways to affix the flag to the pole. I didn't expect this level of interest in a craft project from the electrical department so I asked the man helping me a little about his background.

He mentioned that he had just graduated from university as a structural and electrical engineer but that the economy was affecting his ability to obtain full-time work. In the meantime, he was working part-time at Home Depot while trying to figure out how to get a job. He asked if I worked with children at the Library as he didn't know too much about the Library. When I told him that I didn't but that I knew about the Library's career resources, his ears perked up and he began to ask me what we offered. I let him know about all of the career resources available at various libraries along with the e-resources where he could have his resume looked at and take different courses. He mentioned that his friend had spent over \$100 just to get his resume looked at and was completely flabbergasted that the Library would offer to do this for free. I offered him my business card and told him to contact me so that I could send him information on strategic networking, career tours, and any upcoming programs we had from APEGA. In the end, he greatly helped us in securing the best type of wire but the best part was that he went from being discouraged about his job search to thrilled about what he could receive from the Library. Sure enough, he emailed me and I was able to share all of the amazing things that we do.

It's amazing that even in the most unexpected venues, people have such great things to say about the Library and that they're excited about what we offer to the community. What started out as a simple task became a joy in seeing people changed as a result of how the Library can better their lives.

Bill Ptacek  
CEO

Calgary Public Library

## Monthly Overview

Summer 2016

### Featured Number

Glenmore Square vs Quarry Park

	2015	2016	
Visits	23,519	50,799	116%
Circulation	39,334	56,580	44%

### New Members

Sum.	2016 30,287	4%	YTD	2016 80,549	-15%
	2015 29,083			2015 94,640	

### Active users

Aug 2016	526,259	May 2016	506,841
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### Programs & Outreach

#### Programs

...in the library

Sum.	2016 2,810	33%	YTD	2016 8,457	21%
	2015 2,108			2015 7,014	

...in the community

Sum.	2016 1,039	-6%	YTD	2016 2,574	10%
	2015 1,111			2015 2,348	

...for adults, seniors or all ages

Sum.	2016 1,213	15%	YTD	2016 3,470	8%
	2015 1,059			2015 3,219	

...for kids & teens

Sum.	2016 2,636	22%	YTD	2016 7,561	23%
	2015 2,160			2015 6,143	

### Total number of programs

Sum.	2016 3,849	20%	YTD	2016 11,031	18%
	2015 3,219			2015 9,362	

### Program participants

Sum.	2016 112,438	1%	YTD	2016 259,500	7%
	2015 111,208			2015 243,158	

### Library Space

#### Visits

Sum.	2016 1,653,873	2%	YTD	2016 4,513,341	10%
	2015 1,619,703			2015 4,120,330	

#### Room bookings

Sum.	2016 837	40%	YTD	2016 2,371	61%
	2015 598			2015 1,477	

### Collections

#### Physical items acquired

Sum.	2016 63,050	6%	YTD	2016 154,114	-11%
	2015 59,415			2015 172,604	

#### Physical collection size

Aug	2016 1,462,917	-6%			
	2015 1,557,345				

#### Expenditure on physical items

Sum.	2016 1,150,042	4%	YTD	2016 3,152,235	-3%
	2015 1,104,564			2015 3,253,268	

#### Total expenditure

Sum.	2016 1,653,967	1%	YTD	2016 5,369,397	2%
	2015 1,632,782			2015 5,281,352	

### Circulation

#### Total checkouts

Sum.	2016 4,001,561	-2%	YTD	2016 10,718,371	-2%
	2015 4,097,571			2015 10,894,490	

...physical items

Sum.	2016 3,415,273	-4%	YTD	2016 9,147,490	-3%
	2015 3,548,401			2015 9,407,445	

...digital items

Sum.	2016 586,288	7%	YTD	2016 1,570,881	6%
	2015 549,170			2015 1,487,045	

### Connectivity

#### Computer sessions

Sum.	2016 213,152	0%	YTD	2016 594,326	8%
	2015 213,098			2015 549,947	

#### Wireless sessions

Sum.	2016 142,697	21%	YTD	2016 372,182	19%
	2015 117,784			2015 313,514	

#### Chromebook sessions

Sum.	2016 14,849	1029%	YTD	2016 50,239	1946%
	2015 1,315			2015 2,455	

#### Website sessions

Sum.	2016 1,782,011	0%	YTD	2016 4,889,857	-8%
	2015 1,780,849			2015 5,333,914	

#### Catalogue sessions

Sum.	2016 1,327,719	0%	YTD	2016 3,579,190	1%
	2015 1,325,909			2015 3,543,803	

#### Pages viewed per session

Sum.	2016 1.87	...website	Sum.	2016 5.78	...catalogue
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### Social Media

#### Followers

Aug	2016 31,704	21%			
	2015 26,175				

Facebook, Twitter, Instagram & LinkedIn

### Holds (daily average)

#### Active holds

Sum.	2016 202,034	9%			
	2015 185,737				

#### Patrons with active holds

Sum.	2016 39,365	8%			
	2015 36,432				

Monthly Overview of Community Library  
June, July, August 2016

	New Members		Visits		Physical Resource Check Outs		Computer Sessions		Wireless Sessions		Average No.Holds Filled Per Day		Programs in the Library		Programs in the Community	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Alexander Calhoun	935	948	50,352	53,754	109,855	100,098	4,662	5,826	3,568	4,500	243	268	66	186	21	27
Bowness	438	482	20,671	23,592	42,073	41,572	3,414	3,944	883	1,559	79	93	64	63	15	19
Central	6,164	5,962	247,873	272,888	183,647	176,489	55,411	53,639	21,267	22,273	405	445	365	467	113	101
Country Hills	1,860	1,952	151,988	120,592	196,177	188,330	9,959	11,943	8,285	11,197	312	354	108	173	24	36
Crowfoot	2,558	2,570	143,187	149,128	348,783	334,468	14,068	15,002	12,105	17,086	598	686	213	265	32	35
Fish Creek	2,608	2,382	122,851	130,231	268,850	259,099	12,890	13,323	9,105	11,902	500	565	149	219	150	113
Forest Lawn	1,005	1,340	41,243	60,394	66,281	69,351	10,144	14,585	4,120	6,465	117	126	54	164	159	127
Judith Umbach	1,004	939	61,897	64,969	116,811	107,114	9,086	9,884	4,911	6,942	230	246	115	156	75	67
Louise Riley	980	925	84,501	85,908	145,207	129,662	8,145	8,889	5,788	6,535	360	382	105	134	59	67
Memorial Park	558	609	27,851	28,386	36,052	31,880	4,530	4,745	2,575	3,530	135	138	19	17	5	4
Nicholls Family	393	1,348	20,630	49,420	44,939	60,158	3,084	4,202	1,637	6,136	104	128	40	68	11	16
Nose Hill	1,128	993	90,201	19,177	191,832	153,228	9,369	6	5,556	2,467	376	407	86	29	58	47
Quarry Park	385	1,378	23,519	50,799	39,334	56,580	4,839	3,565	1,385	2,443	81	91	30	27	37	25
Saddletowne	2,081	1,943	136,913	139,254	119,616	110,583	18,646	20,276	10,306	9,814	114	137	117	164	46	54
Shawnessy	2,545	2,444	135,692	138,218	256,520	230,910	14,330	14,092	11,780	12,803	487	551	193	229	97	89
Signal Hill	1,976	1,712	113,140	116,310	253,562	238,284	10,451	9,530	5,558	6,549	457	538	129	179	79	65
Southwood	801	789	45,609	46,271	103,768	94,759	4,680	5,205	2,271	3,048	259	291	95	137	41	41
Village Square	1,663	1,571	101,582	104,582	118,345	97,684	15,390	14,496	6,684	7,448	154	184	160	130	85	22
<b>TOTAL</b>	29,082	30,287	1,619,700	1,653,873	2,641,652	2,480,249	213,098	213,152	117,784	142,697	5,010	5,630	2,108	2,807	1,107	955

Report to the  
Calgary Public Library Board  
September 28, 2016  
**Report of the Audit and Finance Committee**  
**July 19, 2016**

**In Attendance:**

**Board:** Ms. Debra Giles, Chair; Ms. Janet Hutchinson, Mr. Avnish Mehta

**Administration:** Mr. Bill Ptacek, CEO; Ms. Ellen Humphrey, Deputy CEO;  
Mr. Mark Asberg, Director, Service Delivery; Ms. Elrose Klause,  
Controller/Director, Financial Services; Mr. Chae Jun, Manager,  
Accounting

**Regrets:** Mr. Robert Macaulay

**I. Approval of Minutes**

The minutes of the April 21, 2016 meeting were approved with the following change: in the Finance paragraph, first sentence, the phrase “some projects” be changed to “some capital projects”.

**II. Business Arising**

**A. Correspondence from Deloitte re: LAPP**

Deloitte’s letter to Alberta Pensions Services outlines the results of its test of the Library’s Local Authorities Pension Plan records.

**III. June 2016 Quarterly Risk Update**

The Committee reviewed the risk register in detail, noting that there are no items in the red category at this time.

Strategy

- Community partner involvement reporting has been adjusted to a 2-month period to correspond to the program guide publishing period.
- Whenever possible, inactive patrons are contacted as part of the patron retention project, a new initiative to retain membership of existing patrons.
- The survey of overall customer satisfaction is not conducted until the end of the year; however, based on program attendance, satisfaction is deemed to be high at this time.

Finance

- For consistency, budget will be used as the funding measure. One-time items, such as the insurance payments for the 2013 flood, can be confusing if actual revenue is used.

People

- Staff engagement is up, with 75% completing an engagement survey.

### Operations

- In-person visits are increasing, with significant gains at the Nicholls Family Library and the Quarry Park Library, which is three times busier than its previous location.
- Facility availability had a temporary impact due to two relocations.

### Security

- Increases in incidents are less than previous periods.
- Improvements to Central's main floor include the fire truck installation, new art on the north side, and the relocated circulation desk. Plans are in progress to improve the entrance area on the C-Train platform.

### **Recommendation:**

That the Calgary Public Library Board receive the June 2016 Quarterly Risk Update for discussion and information.

## **IV. Controller's Report for the Month ended June 30, 2016**

The financial indicators are on target, with funding increases closely tied to expenditure increases. The cash balance appears high because of an early receipt of The City's quarterly funding. Fee revenue is showing a significantly lower decrease than last year. The Committee discussed the reasons for several budget variances.

Ms. Klause distributed a new Statement of Financial Activities to replace pages 26-28 in the agenda package. The new document shows higher revenue projections.

The Committee reviewed the Capital Expenditure Forecast, which consists mainly of current lifecycle projects. More resources have been allocated to complete the Nose Hill Renovation project before taking on the Crowfoot project. One of the benefits of the multi-year budget is the ability to schedule projects to the best timing and cost advantages.

### **Recommendation:**

That the Calgary Public Library Board receive the Controller's Report and the Calgary Public Library Board's financial statements and reserve reports for the period ended June 30, 2016.

## **V. Operating Budget Adjustments: Q2 2016**

The report outlines the additional funding sources that have occurred in Quarter 2, including restricted Foundation grants and supplementary provincial revenue related to Calgary's population increase and service to Indigenous populations. The Committee discussed the timing of the report since corresponding expenditure plans will not be brought forward until October. The Board's approval is an acknowledgement of the actual budget status at the Quarter 2 point.

### **Recommendation:**

That the Calgary Public Library Board approve the Operating Budget Adjustments as presented in Attachment 1 to the report, Operating Budget Adjustments: Q2 2016, dated July 19, 2016.

## **VI. Review of External Auditor Appointment**

### **Recommendation:**

That the Calgary Public Library Board approve:

- a. That Deloitte be appointed as the Library's auditor for the 2016 fiscal year, and
- b. That this appointment may continue up to and including the 2017 fiscal year, with annual reviews.

## **VII. Initial Budget Presentation**

The Committee decided not to bring forward a fully detailed budget until January so that the Board can be certain of the final decisions arising from Council's budget deliberations in late October.

## **VIII. Other Business**

### **A. Timing Change to Board Financial Reports**

The Committee decided that that the Board will receive a full update quarterly to replace the current monthly financial summary. The reporting months will be April, September, and October, with the year-end report in January. An additional report could be brought forward at any time due to an exceptional variance or adjustment.

### **B. Reporting Format of Risk Register Report**

The Committee suggested that future Quarterly Risk Register reports be summarized in an abbreviated manner. An in-depth background of the Register could be provided for new Board Members, but is not required for on-going reports.

Debra Giles  
Chair, Audit and Finance Committee



Report to the  
Calgary Public Library Board  
September 28, 2016  
**June 2016 Quarterly Risk Update**

**I. ISSUE**

The purpose of this report is to provide a quarterly monitoring and reporting of Calgary Public Library's major risks as identified by the strategic level risk register. This update is for the quarter ended June 30, 2016.

**II. BACKGROUND**

In early 2014, KPMG was engaged to assess the Integrated Risk Management process developed by the Calgary Public Library and to provide recommendations. In March 2014, they presented a report to the Calgary Public Library Audit Committee comparing the Library's processes to best practices and providing recommendations to assist the Library in improving its integrated risk management process.

One of the recommendations was to simplify the process by concentrating at the Strategic Level on the risk categories that present the greatest risk to the Library, and identifying the highest risk factors within each of those categories. The larger list from the initial work done by Library administration was reviewed and the highest risk categories were identified. These categories formed a Strategic Level Risk Register.

Library administration committed to providing a quarterly update to the Audit Committee. These initial reports quickly became too lengthy, and the Board did not feel that they were focusing only on risks that required their attention.

Following additional consultation with KPMG in November 2015, the Audit & Finance Committee previewed risk documents presented in the current format that addressed the deficiencies of the earlier reports and highlighted issues for the Board's attention. An annual report will present analysis dedicated to pre- and post-mitigation for these and possible emerging risk areas identified by the Library. Quarterly reports will provide an update on actual risk impact for these measures at the time of reporting. This report falls into the latter category. With each report, the Board will be able to consider if the mitigation measures in place for each of the higher risk items are adequate, or need to be increased.

The following categories continue to present the highest risk to the Library achieving its strategic objectives at the current time.

- Strategy
- Finance
- People
- Operations
- New Central Library
- Security

### **III. INVESTIGATION: ALTERNATIVES AND ANALYSIS**

Using qualitative and quantitative analysis, the significant risks in the risk categories of the Strategic Level risk register have been analyzed to ensure that the level of risk remains acceptable for the purposes of achieving Strategic outcomes. The analysis is drawn from many sources, including Board reports and motions, the incident reporting system, analysis of health and safety data through human resources and the health and safety committee, financial monitoring, and other sources. Each member of the Executive Leadership Team has contributed to ensuring the success of this process.

### **IV. ASSESSMENT**

There have been several changes reported, which will be addressed verbally at the meeting.

### **V. RISK ASSESSMENT**

The Library builds risk assessment into new initiatives and ongoing services. Some risks are easily identifiable and thus easily mitigated. However, the assessment of some risks can be very subjective. Ongoing monitoring and analysis of new developments will always be required.

### **VI. RECOMMENDATION**

That the Calgary Public Library Board receive the June 2016 Quarterly Risk Update for discussion and information.

Elrose J Klause, CMA  
Controller and Director, Financial Services

#### **Attachments**

1. 2016 Q2 Risk Matrix Impact Scales

Calgary Public Library  
Risk Matrix Impact Scales  
June 30, 2016

Area		Level of Risk	Insignificant	Low/Minor	Moderate	High/Major	Catastrophic	Mitigation
		Level of Response	None Required	Enhance Monitoring	Change to Policy, Practice or Plan	Change to Operating Model	Change to Strategic Plan	(at June 30, 2016)
1 Strategy	a	Active members/capita [quarterly count]	50%	40% 2016 Q1: 40.5% 2016 Q2: 41.7%	35%	30%	25%	• Retention of inactive members project initiated
	b	Customer Satisfaction [average rating in annual survey]	4.5/5	4.25/5 2015 Nov: 4.25/5 2015 Dec: 4.4/5	4/5	3.5/5	2.5/5	
	c	Community Partner Involvement in Programs [% of in-library programs in each planning cycle with partner involvement]	50% or higher	21-35%	11-20% 2016 May/June: 18% 2016 July/August: 17%	1-10%	0%	
2 Finance	a	Fraud [quarterly report]	No instance of fraud 2016 Q1: No instances to date 2016 Q2: No instances to date	Cumulative fraud of less than \$25k annually	Cumulative fraud of \$25k to \$50k annually	Cumulative fraud of more than \$50k annually	Cumulative fraud of more than \$1 million annually	• Adherence to policies / procedure • Well document procedures, including: <ul style="list-style-type: none"><li>○ Segregation of duties</li><li>○ Purchasing controls</li><li>○ Approvals by supervisor (one up)</li></ul> • External auditors
	b	Budgeted Operating Funding [annual report]	Equal to prior year's funding 2015: Increase of \$1,913,000 2016: Increase of \$1,143,000	1 to 2% less than prior year	2 to 4% less than prior year	5 to 10% less than prior year	More than 10% less than prior year	• Transparency and openness with government and other funders • Effective, efficient delivery of current services and programs • Ongoing dialogue with funders
	c	Allocation of resources [annual report]	Adherence to Asset Management Plan (AMP)	Adherence to AMP with minor timing differences 2015: Capital spending matched to 4 year capital spending plan with minor timing differences 2016: Capital spending continues to adhere to the Asset Management Plan with minor timing differences	Actual costs related to AMP 10% less than budgeted	Actual costs related to AMP from 11% to 20% less than budgeted	Facilities are structurally unsafe – one or more cannot be remediated by asset management plan reserves	• Monthly oversight by the Library's Senior Management Team • Quarterly oversight by the Library's Audit & Finance Committee
	d	Operating expenditures exceed budget by [quarterly report]	0% 2016 Q1: Expenditures 3% favourable due to timing differences 2016 Q2: Expenditures 0.7% favourable due to timing differences	2%	3%	5%	10%	• Daily oversight through purchasing and payment controls, including one up approvals • Monthly oversight by the Library's Senior Management Team • Quarterly oversight by the Library's Audit & Finance Committee

Area		Level of Risk	Insignificant	Low/Minor	Moderate	High/Major	Catastrophic	Mitigation
		Level of Response	None Required	Enhance Monitoring	Change to Policy, Practice or Plan	Change to Operating Model	Change to Strategic Plan	(at June 30, 2016)
	e	Capital expenditures exceed budgeted revenues/reserves by [quarterly report]	0% 2016 Q1: Capital expenditures less than sources of funding 2016 Q2: Capital expenditures less than sources of funding	5%	10%	20%	50%	<ul style="list-style-type: none"><li>Daily oversight through purchasing and payment controls, including one up approvals</li><li>Monthly oversight by the Library's Senior Management Team</li><li>Quarterly oversight by the Library's Audit &amp; Finance Committee</li></ul>
3 People	a	Reputation impacts [Negative publicity from staff or volunteer activity] [quarterly]	None 2016 Q1: None 2016 Q2: None	Any public incident from any staff level or volunteer	Multiple incidents from any staff level, volunteer, or misconduct from a Director-level staff	Misconduct that results in a withdrawal of funding or funding commitment in any amount	Misconduct that results in involuntary dismissal of Director-level staff or higher	<ul style="list-style-type: none"><li>Policy and Employee Code of Conduct make clear who can speak on behalf of the Library</li><li>Social media activity regardless of when it takes place is also subject to Employee Code of Conduct</li></ul>
	b	Staff engagement level [Overall score on annual survey]	More than 80%	Less than 80% 2016 May: 75%	Less than 70% 2014 Nov: 68%	Less than 60%	Less than 50%	<ul style="list-style-type: none"><li>Online and paper-based communication tools are used to distribute information, in addition to frequent face-to-face meetings</li><li>Sampling of the workforce takes place at regular intervals and issues raised are dealt with at that time</li><li>An online suggestion system allows staff to suggest change whenever it occurs to them</li></ul>
	c	General vacancy rate [% of all positions unintentionally vacant] [quarterly count]	Less than 4% 2016 Q1: 1.4% 2016 Q2: 0%	More than 4%	More than 7%	More than 10%	More than 15%	<ul style="list-style-type: none"><li>Market conditions are regularly monitored to keep library jobs competitive with the overall Calgary market</li></ul>
	d	Recruitment time for positions with critical skills [quarterly count]	Less than 12 weeks 2016 Q2: None	More than 12 weeks	More than 16 weeks 2016 Q1: 1 instance	More than 26 weeks	More than 52 weeks	<ul style="list-style-type: none"><li>CPL is well represented at industry conferences to ensure that good candidates are aware of CPL achievement</li><li>Effectiveness of different recruiting channels is regularly reviewed, eg. LinkedIn</li></ul>
	e	Availability of Volunteers [% of need filled] [quarterly count]	100% or more	80% to 99% 2016 Q1: 97% 2016 Q2: 97%	60% to 79%	50% to 59%	Less than 50%	
4 Operations	a	Building visits [quarterly report of year-over-year change]	Less than 5% decrease 2016 Q1: Increase of 17% over Q1 2015 2016 Q2: Increase of 8% over Q2 2015	6-10% decrease	11-20% decrease	21-50% decrease	Over 50% decrease	

Area		Level of Risk	Insignificant	Low/Minor	Moderate	High/Major	Catastrophic	Mitigation
		Level of Response	None Required	Enhance Monitoring	Change to Policy, Practice or Plan	Change to Operating Model	Change to Strategic Plan	(at June 30, 2016)
	b	Website and catalogue sessions combined [quarterly report of year-over-year change]	Less than 5% decrease 2016 Q2: Increase of 2% over Q2 2015	6-10% decrease	11-20% decrease 2016 Q1: Decrease of 19% over Q1 2015	21-50% decrease	Over 50% decrease	
	c	Facility availability [quarterly count]	All facilities open during all regular open hours in period 2016 Q1: No closures	Any closure for up to 1 open day in one or more locations	Any closure for up to 1 week in one or more locations	Any closure in one or more locations lasting more than one week 2016 Q2: Glenmore Square and Shaganappi were each closed for 2 weeks as services were relocated to new facilities	Any closure in one or more locations, with the result that strategic deliverables are no longer achievable	
	d	Relationships with partners in joint facilities [quarterly report]	Operating Styles of Partners diminish the synergies of co-location 2016 Q1: No instances 2016 Q2: No instances	Values and goals of Partners become incompatible with those of the Library	Actions of Partners impede the ability to effectively operate the Facility jointly	Actions of Partners prevent the Library from delivering at least some normal programs and/or services	Actions of Partners cause the Facility to become unusable or unavailable	<ul style="list-style-type: none"><li>Joint Operating Committees are in place at multi-use sites to prevent issues from escalating</li></ul>
5 New Central Library	a	Reputation maintained during the construction of the New Central Library [quarterly report]	Minor delay in thresholds and/or project on budget 2016 Q1: No emerging issues 2016 Q2: No emerging issues	Minor delay in thresholds and/or project 1 to 2% over budget	Minor delay in thresholds and/or project 2 to 4% over budget	Significant delay in thresholds and/or project 5 to 10% over budget	Significant delay in thresholds and /or project more than 10% over budget	
	b	Transition in service [Not applicable at present]	No issues in transition to operation	Usage of NCL greater than that of current Central Library	Usage of NCL equal to that of current Central Library	Usage of NCL less than that of current Central Library	Usage of NCL is 50% less than that of current Central Library	<ul style="list-style-type: none"><li>Trialing innovative projects, such as the Fire Truck, prior to opening</li><li>NCL service plan begun</li></ul>
6 Security	a	Incidents at Community Libraries [quarterly report of year-over-year count]	The number of incidents remains stable or decreases	Increase in incidents up to 5%	Increase in incidents 6% to 25%	Increase in incidents more than 25% 2016 Q1: Increase of 75% over Q1 2015 2016 Q2: Increase of 26% over Q2 2015	Incidents are of such a nature and number that strategic deliverables are no longer achievable	<ul style="list-style-type: none"><li>Focused staff training on <i>Safety and Security</i> and <i>Working with Vulnerable Populations</i></li><li>Revised and updated <i>Problem Situation Guide</i> and <i>Emergency Response Plan</i></li></ul>

Area		Level of Risk	Insignificant	Low/Minor	Moderate	High/Major	Catastrophic	Mitigation
		Level of Response	None Required	Enhance Monitoring	Change to Policy, Practice or Plan	Change to Operating Model	Change to Strategic Plan	(at June 30, 2016)
	b	Incidents at Central Library [quarterly report of year-over-year count]	The number of incidents remains stable or decreases	Increase in incidents up to 5%	Increase in incidents 6% to 25%	Increase in incidents more than 25% 2016 Q1: Increase of 65% over Q1 2015 2016 Q2: Increase of 46% over Q2 2015	Incidents are of such a nature and number that strategic deliverables are no longer achievable	<ul style="list-style-type: none"><li>• New industry standard incident reporting software being implemented</li><li>• Stricter application of the Library’s <i>Code of Conduct</i></li><li>• Employment of a City of Calgary Security Advisor, whose sole focus is the Library system</li><li>• Developing closer relationships with Calgary Police Service and other law enforcement agencies</li><li>• Extensive work implementing Crime Prevention through Environmental Design elements, many of which were recommended by CPS</li><li>• Improvements to performance of security contractor, including more effective deployment of guards in multiple locations</li><li>• Concentrated efforts to bring new and diverse demographics to Central Library through extensive programming and community events</li><li>• Community engagement in the Beltline to explore, identify and implement new programs and features at Memorial Park Library to promote pro-social activities in the Library</li></ul>

Report to the  
Calgary Public Library Board  
September 28, 2016  
**Controller's Report for the period ended June 30, 2016**

The unaudited financial statements for the Calgary Public Library Board for the second quarter ended June 30, 2016 are appended to this report for information. The statements are being presented in the modified accrual format only, which is the same basis that has been used historically by the Library. While they do reflect the balance sheet asset write down of all assets that have been transferred, disposed of or written off, conversion to full accrual will only occur at year end, when restatement of some of the collection expenditures and recognition of depreciation as an expense occurs.

**A. EXECUTIVE SUMMARY**

The interim financial statements of the Calgary Public Library Board are comprised of:

- Key Financial Indicators
- Financial Dashboard
- Statement of Financial Position
- Statement of Financial Activities - Summary
- Statement of Financial Activities - Operating Fund (with comparison to budget)
- 2016 Year End Forecast
- 2016 Capital Spending Profile Report – Second Quarter

While second quarter revenues matched the budget closely, expenditures lagged and created a favourable variance. Further explanations of the revenue and expenditure areas that made up that variance will be summarized in sections C and D and in the 2016 Year End Forecast.

**B. STATEMENT OF FINANCIAL POSITION**

Working capital is favourable in both the operating and capital funds.

**C. REVENUES**

Revenues are \$192,807 favourable at the end of the second quarter.

**Line 4 – City of Calgary - \$59,926F at June 30, 2016**

This represents insurance funding to cover damage at Forest Lawn Library. Matching expenditures are included in building and equipment expense.

**Line 8 – Province of Alberta - \$114,590F at June 30, 2016**

The provincial funding announced in the May budget reflected 2015 population data, which increased the Library's annual grant by \$198,250. A revenue adjustment has been submitted to increase this revenue line. Additionally, the province is providing funding for services to Indigenous populations, for which a budget adjustment is also being brought forward. Finally, the province has provided a small amount of training funding.

**Line 14 – Fines - \$32,270U at June 30 and \$6,455U at March 31, 2016**

Fines are slightly lower than the budgeted target, and continue to decline year over year, due to digital borrowing not being subject to fines, and automatic notices being sent encouraging the return of overdue material. The 2017 budget will reflect this decrease.

**Line 19 – Investment and other revenue - \$13,087F at June 30 and \$3,616F at March 31, 2016**

Printing revenue is trending higher than the budgeted target due to increased printing by patrons.

**Line 22 – Grants and sponsorship - \$44,698F at June 30 and \$77,662U at March 31, 2016**

Grants and sponsorship was favorable for the second quarter due to additional restricted programs. An adjustment is being brought to the Audit & Finance Committee to reflect the additional revenue in the budget.

**D. EXPENDITURES**

Expenditures are \$184,517 favorable for the first quarter end.

**Line 29 – Salaries and employee benefits - \$80,298U at June 30, 2016 and \$119,885F at March 31, 2016**

There is a small unfavorable variance primarily due to vacancies exceeding the gapping target and an unusually high number of pension buy backs.

**Line 32 – Collections - \$92,494F at June 30, 2016 and \$1,874F at March 31, 2016**

Variance is due to timing of collection expenditures. The budget will be fully spent by year end.

**Line 49 – General operating - \$50,213F at June 30, 2016 and \$223,617F at March 31, 2016**

This category includes many small variances. With minor exceptions (see forecast), these variances are due to timing differences and are not projected to continue through the balance of the year.

**Line 55 – Building and Equipment - \$141,780F at June 30, 2016 and \$56,028F at March 31, 2016.**

Utilities are favorable due to an unusually warm winter. The delay of the children's space at Village Square Library has created a timing variance in costs that will be incurred in the third quarter. There are also timing differences in building and mechanical equipment purchases.

**Line 65 – Occupancy Costs - \$19,673U at June 30, 2016 and \$8,802F at March 31, 2016**

Final occupancy charges for Shaganappi Library were unbudgeted.

**E. RECOMMENDATION**

That the Calgary Public Library Board receive the Controller's Report and the Calgary Public Library Board's financial statements and reserve reports for the period ended June 30, 2016.

Elrose J Klause, CPA, CMA  
Controller and Director, Financial Services

**Calgary Public Library Board  
As at June 30, 2016**

**June 2016 Key Financial Indicators**

Financial Snapshot				
	Budget YTD	Actual YTD	Variance YTD	Forecast
<b>Operating Revenue</b>	27,339,794	27,532,601	192,807	54,632,384
<b>Operating Expenditures</b>	27,413,333	27,228,817	184,517	54,838,171
<b>Excess / Deficit Operating Fund</b> (Before loans repaid and contribution to reserves and Other contributions)	(73,539)	303,784	377,323	(205,787)
<b>Capital Reserve Balance</b>		1,621,687		
<b>Operating Reserve Balance</b>		814,135		
		-		

\* To start with second quarter report.

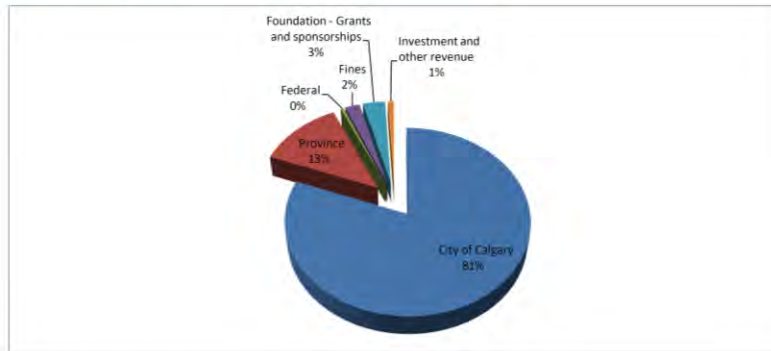
**June 2016 Month End Snapshot**

Financial Summary				
Budget / Actual Variances				
	Budget YTD	Actual YTD	Variance YTD	
Operating Revenues				
City of Calgary	22,194,441	22,254,367	59,926	F
Province of Alberta	3,316,664	3,431,254	114,590	F
Federal Government	130,264	123,041	(7,224)	U
Fines	618,908	586,638	(32,270)	U
Grants and sponsorships	850,305	895,003	44,698	F
Investment and other revenue	229,212	242,298	13,087	F
Operating Expenditures				
Salaries and employee benefits	17,688,553	17,768,850	(80,298)	U
Collections	4,256,956	4,164,462	92,494	F
General Operating	3,107,151	3,056,938	50,213	F
Building and equipment	1,882,590	1,740,810	141,780	F
Occupancy costs	478,084	497,756	(19,673)	U
Average days cash on hand	41		Days	
Working Capital - Operating	760,336			
Working Capital - Capital Fund	1,621,686			

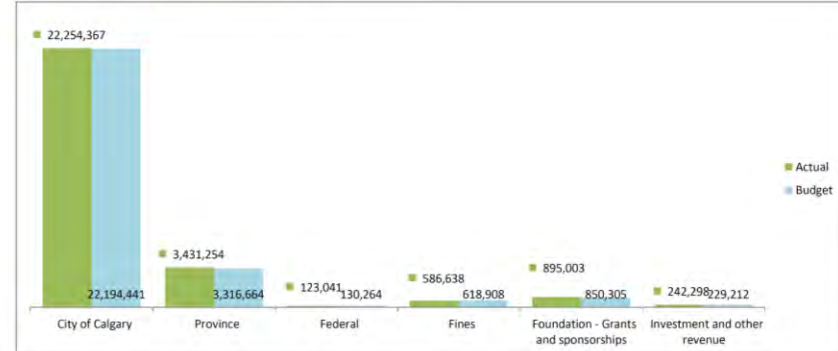


## Financial Dashboard

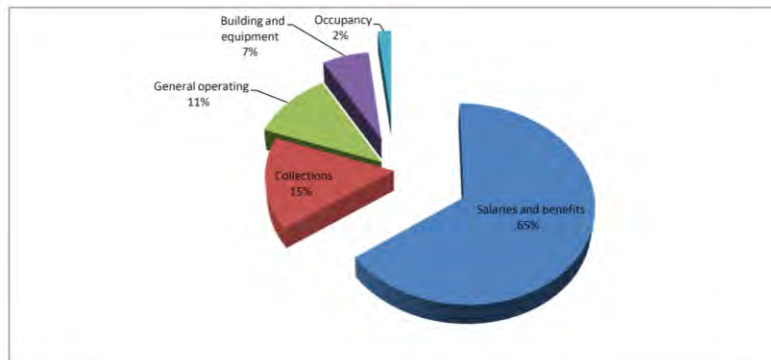
Revenues % by Category (Actual at the end of June 2016)



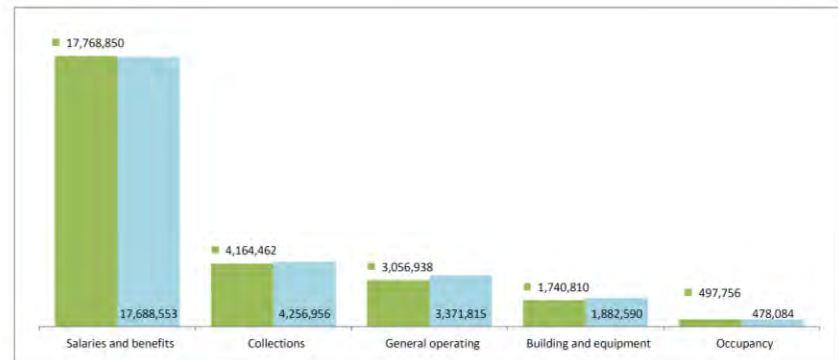
Revenues Actual vs Budget at the end of June 2016



Expenses % by Category (Actual at the end of June 2016)



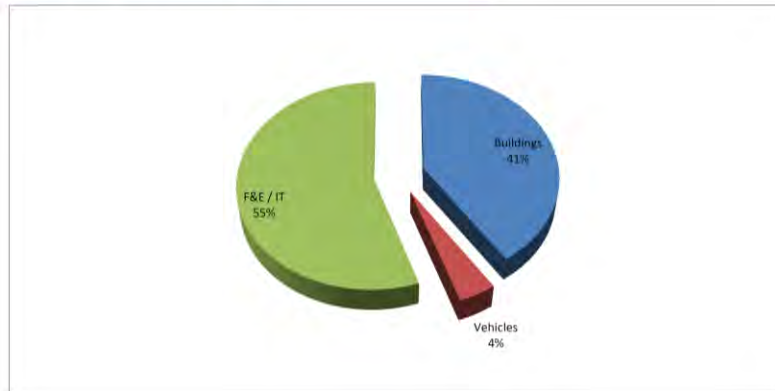
Expenses Actual vs Budget at the end of June 2016



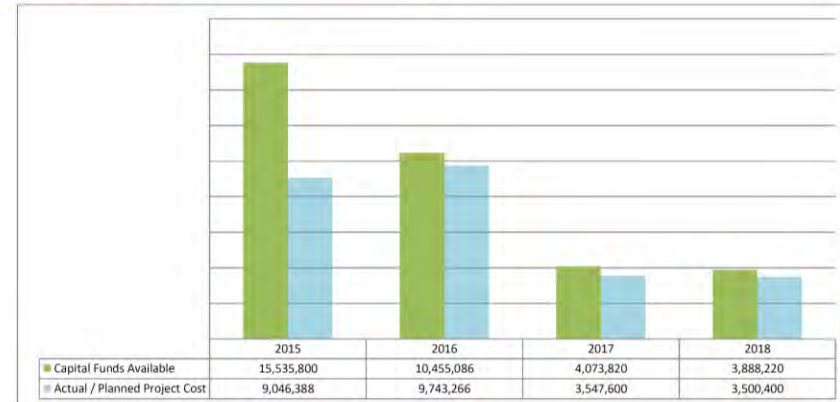
Updated for the month ended June 2016

### Capital Spending Dashboard

Capital Major Categories Per Annual Capital Plan



Capital Funds Available June 2016



	2015	2016	2017	2018
Forecasted Funds Remaining	6,489,413	711,820	526,220	387,820

Updated for the month ended June 2016

**THE CALGARY PUBLIC LIBRARY BOARD**  
**Statement of Financial Position**  
**As at June 30, 2016**

	Operating Fund \$	Capital Fund \$	2016 TOTAL \$	2015 TOTAL \$
<b>FINANCIAL ASSETS</b>				
Cash and Cash Equivalents	15,556,911	656,004	16,212,915	8,028,601
Accounts receivable	637,915	856,817	1,494,732	2,477,974
Prepaid expenses	1,926,964	-	1,926,964	2,616,465
Interfund balances	(384,612)	384,612	-	-
	17,737,178	1,897,433	19,634,611	13,123,040
<b>PHYSICAL ASSETS</b>				
Capital assets	-	63,780,393	63,780,393	61,886,105
Inventory	53,799	-	53,799	74,671
	53,799	63,780,393	63,834,192	61,960,776
	<b>17,790,977</b>	<b>65,677,826</b>	<b>83,468,803</b>	<b>75,083,816</b>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	16,976,841	275,747	17,252,588	5,923,574
<b>LIBRARY POSITION</b>				
Equity in capital assets	-	63,780,393	63,780,393	61,886,105
Fund balances	814,135	1,621,687	2,435,822	7,274,137
	<b>17,790,977</b>	<b>65,677,826</b>	<b>83,468,803</b>	<b>75,083,816</b>
<b>Working Capital</b>	<b>760,336</b>	<b>1,621,686</b>	<b>2,382,023</b>	<b>7,199,466</b>

**THE CALGARY PUBLIC LIBRARY BOARD**  
**Statement of Financial Activities**  
**For the Period Ended June 30, 2016**

	Operating Fund \$	Special Purpose Fund \$	Capital Fund \$	2016 TOTAL \$
<b>REVENUES</b>				
4 City of Calgary	22,254,367	-	1,809,515	24,063,882
8 Province of Alberta	3,431,254	-	-	3,431,254
9 Federal Government	123,041	-	-	123,041
14 Fines	586,638	-	-	586,638
19 Investment and other revenue	242,298	-	10,469	252,768
22 Grants and sponsorships	895,003	-	-	895,003
	27,532,601	-	1,819,984	29,352,585
<b>EXPENDITURES</b>				
29 Salaries and employee benefits	17,768,850	-	-	17,768,850
32 Collections	4,164,462	-	-	4,164,462
49 General operating	3,056,938	-	-	3,056,938
55 Building and equipment	1,740,810	-	4,881,464	6,622,274
65 Occupancy Costs	497,756	-	-	497,756
	27,228,817	-	4,881,464	32,110,281
<b>REVENUES IN EXCESS OF (LESS THAN)</b>				
<b>EXPENDITURES BEFORE THE FOLLOWING:</b>	303,784	-	(3,061,480)	(2,757,696)
Contributions to reserves	(112,500)	-	112,500	-
Proceeds from loans	-	-	-	-
<b>CHANGE IN FUND BALANCES AND CAPITAL RESERVES</b>	191,284	-	(2,948,980)	(2,757,696)
<b>OPENING FUND BALANCES AND CAPITAL RESERVES</b>	171,910	450,941	4,570,667	5,193,518
<b>TRANSFER BETWEEN FUNDS</b>				
SPF to Operating	450,941	(450,941)	-	-
<b>ALLOCATION OF PRIOR YEAR SURPLUS</b>				
		-	-	-
<b>CLOSING FUND BALANCES AND CAPITAL RESERVES</b>	814,135	(0)	1,621,687	2,435,822

**THE CALGARY PUBLIC LIBRARY BOARD**  
**Statement of Financial Activities - Operating Fund**  
**For the Period Ended June 30, 2016**

	CURRENT YTD \$	BUDGET YTD \$	VARIANCE YTD \$	TOTAL BUDGET \$	BUDGET YTD AS A % OF TOTAL BUDGET	CURRENT YTD AS A % OF TOTAL BUDGET	Prior YTD \$
<b>REVENUES</b>							
4 City of Calgary	22,254,367	22,194,441	59,926	44,388,886	50.00%	50.13%	21,642,521
8 Province of Alberta	3,431,254	3,316,664	114,590	6,633,330	50.00%	51.73%	3,386,558
8 Federal Government	123,041	130,264	(7,224)	240,372			
14 Fines	586,638	618,908	(32,270)	1,237,799	50.00%	47.39%	663,885
19 Investment and other revenue	242,298	229,212	13,087	452,121	50.70%	53.59%	216,400
22 Grants and sponsorships	895,003	850,305	44,698	1,563,000	54.40%	57.26%	603,434
23 Total revenues	27,532,601	27,339,794	192,807	54,515,508	50.15%	50.50%	26,512,798
<b>EXPENDITURES</b>							
29 Salaries and employee benefits	17,768,850	17,688,553	(80,298)	36,117,650	48.97%	49.20%	17,002,002
32 Collections	4,164,462	4,256,956	92,494	7,307,646	58.25%	56.99%	4,203,967
49 General operating	3,056,938	3,107,151	50,213	6,820,432	45.56%	44.82%	3,127,917
55 Building and equipment	1,740,810	1,882,590	141,780	3,520,407	53.48%	49.45%	1,422,996
65 Occupancy Costs	497,756	478,084	(19,673)	975,315	49.02%	51.04%	354,440
66 Total expenditures	27,228,817	27,413,333	184,517	54,741,450	50.08%	49.74%	26,111,322
<b>REVENUES IN EXCESS OF (LESS THAN)</b>							
EXPENDITURES BEFORE THE FOLLOWING:	303,784	(73,539)	377,323	(225,941)			401,476
Transfers from Special Purpose Funds	450,941	450,941	-	450,941			55,724
Contributions to reserves	(112,500)	-	-	(225,000)	0.00%	50.00%	(500,000)
CHANGE IN FUND BALANCES AND CAPITAL RESERVES	642,225	377,402	377,323	(0)			(42,800)
OPENING FUND BALANCE	171,910						79,798
ALLOCATION OF PRIOR YEAR SURPLUS	-						
CLOSING FUND BALANCES	814,135						36,998

**THE CALGARY PUBLIC LIBRARY BOARD**  
**Statement of Financial Activities - Year End Forecast**  
**For the Month Ended June, 2016**

	CURRENT YTD	2016 BUDGET \$	2016 Projected \$	Variance Projected from Budget \$	Comments (Favorable: F / Unfavorable: U)
<b>REVENUES</b>					
1 Operating levy	22,194,442	44,388,883	44,388,883	-	
2 City of Calgary Insurance Proceed	59,926		59,926	59,926	F - Forest Lawn fire damage insurance proceeds
3 Debt servicing	-	-	-	-	
<b>4 City of Calgary</b>	<b>22,254,367</b>	<b>44,388,883</b>	<b>44,448,809</b>	<b>59,926</b>	<b>F</b>
5 Per capita grant	3,415,789	6,633,327	6,831,577	198,250	F - Provincial grant revised to reflect 2015 population. Budget increase being presented.
6 Regional Library System Grant	8,825	-	8,825	8,825	F - Provincial Government grant to expand service to on-reserve and on-settlement populations. Budget increase being presented.
7 General provincial fund	6,640	-	6,640	6,640	F - Provincial Government funding
<b>8 Province of Alberta</b>	<b>3,431,254</b>	<b>6,633,327</b>	<b>6,847,042</b>	<b>213,715</b>	<b>F</b>
<b>9 Federal Government</b>	<b>123,041</b>	<b>240,372</b>	<b>240,372</b>	<b>-</b>	
10 Fines	575,102	1,212,799	1,162,799	(50,000)	U - Email notification & increase e-resources checkouts
12 Other memberships	11,536	25,000	25,000	-	
<b>14 Fines</b>	<b>586,638</b>	<b>1,237,799</b>	<b>1,187,799</b>	<b>(50,000)</b>	<b>U</b>
15 Printing	35,672	45,000	65,000	20,000	F - Increased usage
16 Investment income	28,548	45,504	45,504	-	
17 Room rental	23,258	35,000	35,000	-	
18 Sundry	154,821	326,617	326,617	-	
<b>19 Investment and other revenue</b>	<b>242,298</b>	<b>452,121</b>	<b>472,121</b>	<b>20,000</b>	<b>F</b>
20 Grants and sponsorships - Restricted	595,003	963,000	1,078,214	115,214	F - Additional restricted programs, budget increase being presented.
21 Grants and sponsorships - Unrestricted	300,000	600,000	600,000	-	
<b>22 Grants and sponsorships</b>	<b>895,003</b>	<b>1,563,000</b>	<b>1,676,614</b>	<b>113,614</b>	<b>F</b>
<b>23 Total revenues</b>	<b>27,532,601</b>	<b>54,515,502</b>	<b>54,632,384</b>	<b>116,882</b>	<b>F</b>

**THE CALGARY PUBLIC LIBRARY BOARD**  
**Statement of Financial Activities - Year End Forecast**  
**For the Month Ended June, 2016**

	CURRENT YTD	2016 BUDGET \$	2016 Projected \$	Variance Projected from Budget \$	Comments (Favorable: F / Unfavorable: U)
<b>EXPENDITURES</b>					
24 Salaries	15,088,381	31,036,262	31,036,262	-	
25 CPP contributions	662,251	1,141,311	1,141,311	-	
26 EI contributions	389,408	656,072	656,072	-	
27 Pension fund contributions	1,097,594	2,214,435	2,251,435	(37,000) U	- Additional employer payout for person buy back program
28 Medical and insurance	531,216	1,069,570	1,069,570	-	
<b>29 Salaries and employee benefits</b>	<b>17,768,850</b>	<b>36,117,650</b>	<b>36,154,650</b>	<b>(37,000) U</b>	
30 Books and materials	3,881,147	6,648,346	6,648,346	-	
31 Supplies and services	283,315	659,300	659,300	-	
<b>32 Collections</b>	<b>4,164,462</b>	<b>7,307,646</b>	<b>7,307,646</b>	<b>-</b>	
<b>33 Interest charges on City of Calgary financing</b>		<b>-</b>	<b>-</b>		
34 Information technology	1,210,360	2,446,867	2,471,867		
35 Marketing	382,524	1,139,228	1,139,228		
37 Programming	155,125	356,289	356,289	-	
38 Supplies and other expenditures	152,127	288,105	328,105	(40,000) U	- Increased paper usage for printing
39 Professional fees	356,604	944,531	944,531	-	
40 Security measures	317,737	651,872	651,872	-	
41 Staff training and development	103,055	296,716	296,716	-	
42 Photocopier	132,339	207,015	257,015	(50,000) U	- Increased printing
43 Postage and delivery	31,081	80,712	80,712	-	
44 Vehicles	42,234	118,874	88,874	30,000 F	- Newer fleet reduced maintenance expenses
45 Bank and payroll charges	30,643	69,784	69,784	-	
46 Staff travel	55,862	121,673	121,673	-	
47 Board expenses	26,797	37,654	37,654	-	
48 Memberships	60,448	61,112	61,112	-	
<b>49 General operating</b>	<b>3,056,938</b>	<b>6,820,432</b>	<b>6,905,432</b>	<b>(85,000) U</b>	

**THE CALGARY PUBLIC LIBRARY BOARD**  
**Statement of Financial Activities - Year End Forecast**  
**For the Month Ended June, 2016**

	<b>CURRENT YTD</b>	<b>2016 BUDGET \$</b>	<b>2016 Projected \$</b>	<b>Variance Projected from Budget \$</b>	<b>Comments (Favorable: F / Unfavorable: U)</b>
50 Utilities	369,481	836,667	776,667	60,000	F - Mild weather decreased utility consumptions
51 Building and mechanical maintenance	513,919	1,069,077	1,069,077	-	
52 Cleaning and caretaking supplies	472,870	963,864	963,864	-	
53 Insurance	173,180	326,299	326,299	-	
54 Furniture and equipment	211,361	324,500	324,500	-	
<b>55 Building and equipment</b>	<b>1,740,810</b>	<b>3,520,407</b>	<b>3,460,407</b>	<b>60,000</b>	<b>F</b>
56 Bowness	89,201	196,935	192,935	4,000	F - Savings from 2015 Op cost reconciliation
57 Village Square	46,035	92,069	92,069	-	
58 Quarry Park / Glenmore Square	78,182	172,108	172,108	-	
59 Storage facility	22,267	43,620	43,620	-	
60 Shawnessy	39,846	80,667	80,667	-	
61 Fish Creek	1,912	4,843	4,843	-	
62 Country Hills	23,123	47,967	47,967	-	
63 Nicholls Family	98,721	180,000	218,721	(38,721)	U - Shaganappi 2015 Op cost
64 Judith Umbach	39,519	40,000	40,000	-	
65 Louise Riley CLLC	12,261	24,528	24,528	-	
66 City of Calgary - Warehouse	7,500	15,000	15,000	-	
67 Saddletowne	39,188	77,578	77,578	-	
<b>68 Occupancy Costs</b>	<b>497,756</b>	<b>975,315</b>	<b>1,010,036</b>	<b>(34,721)</b>	<b>U</b>
<b>69 Total expenditures</b>	<b>27,228,817</b>	<b>54,741,450</b>	<b>54,838,171</b>	<b>(96,721)</b>	<b>U</b>
<b>Excess of Revenues over Expenditures</b>	<b>303,784</b>	<b>(225,941)</b>	<b>(205,787)</b>	<b>20,154</b>	<b>F</b>
Contributions to reserves	(112,500)	(225,000)	(225,000)	-	
<b>Change in Fund Balance</b>	<b>191,284</b>	<b>(450,941)</b>	<b>(430,787)</b>		
<b>Opening Fund Balance</b>	<b>171,910</b>	<b>-</b>	<b>171,910</b>		
<b>Transfer Between Funds</b>	<b>450,941</b>	<b>450,941</b>	<b>450,941</b>		
<b>Allocation of Prior Year Surplus</b>	<b>-</b>				
<b>Closing Fund Balance</b>	<b>814,135</b>	<b>(0)</b>	<b>192,064</b>		

Capital Expenditure F			30-Jun-16		Attachment : Updated Capital Expenditure Forecast					
Asset Class	Program Name	Program Detail	2015 Total Expenses	2016 April Updates	2016 July Update	Executed YTD	Committed	2016 Total Expenditures	2017 Planned Expenditures	2018 Planned Expenditures
Buildings										
	Self-Managed Facilities Sub Total		3,669,836	2,000,000	2,000,000	1,198,884	1,270,134	2,469,018	2,450,000	400,000
Shared Facilities										
	Shared Facilities Sub Total		236,468	-	-	25,150	-	25,150	-	-
Asset Management										
	Asset Management Sub-Total			400,000	257,700		247,700	247,700	-	
New Libraries										
	New Libraries Sub Total		533,144	1,700,856	1,700,856	1,793,119	191,223	1,984,342	-	-
Buildings Sub-Total			4,439,447	4,100,856	3,958,556	3,017,153	1,709,057	4,726,211	2,450,000	400,000
Vehicles										
	Sub-Total Replacement Vehicles		41,803	80,000	80,000	66,433	-	66,433	55,000	60,000
	Sub-Total New Vehicles		350,114	320,000	320,000	59,450	257,791	317,240	-	60,000
Vehicles Sub-Total			391,917	400,000	400,000	125,883	257,791	383,674	55,000	120,000
Furniture & Equipment										
	Sub-Total Shelving Enhancement		1,348,598	560,000	520,000	41,721	459,384	501,105	580,000	-
	Sub-Total Shelving Replacement Adult		181,130	1,876,543	1,464,870	564,168	4,950	569,118	-	-
	Sub-Total Shelving Replacement Childrens		-	290,050	307,550	29,568	29,748	59,316	-	-
	Sub-Total Furniture Enhancement		510,237	518,500	341,500	165,557	173,434	338,991	295,000	-
	Sub-Total Enhanced Children's Space		79,087	115,000	97,000	16,852	10,887	27,740	40,000	-
	Sub-Total Enhanced Teen's Space		8,866	49,500	10,000	-	-	-	23,000	-
	Sub-Total F&E Contingencies		275,303	344,084	322,884	62,944	8,378	71,322	250,000	250,000
	Sub-Total IT Lifecycle		1,123,688	1,489,000	1,610,373	512,252	941,422	1,453,674	1,245,000	785,000
	Sub-Total IT New		869,244	561,533	665,533	430,611	264,034	694,645	10,000	15,000
	Sub-Total IT Application Lifecycle		-	90,000	45,000	-	-	-	120,000	410,000
Furniture & Equipment Sub-Total			4,215,024	5,894,210	5,384,710	1,823,674	1,892,237	3,715,911	2,563,000	1,460,000
Furniture only			2,222,092	3,753,677	3,063,804	880,811	686,781	1,567,592		
IT only				2,140,533	2,320,906	942,863	1,205,456	2,148,319		
Grand Total Planned Expenditures			9,046,388	10,395,066	9,743,266	4,966,711	3,859,085	8,825,796	5,068,000	1,980,000
						48%	37%	85%		
Four year total										
Cash Required	Carry Forward from prior yea		-	-	-			-		1,520,400
	Assumed Completion Rate		1.0	1.0	1.0			0.7		1.0
	Cash Required		9,046,388	10,395,066	9,743,266				3,547,600	3,500,400
	Amount to Carry Forward		-	-	-				1,520,400	-
Cash Available	Carry Forward Reserves		6,729,855	4,570,667	4,570,667				711,820	526,220
	Insurance Settlement		580,970	-	-			-	-	-
	Previous Lifecycle Funding		4,011,593	1,918,746	1,918,746			-	-	-
	Allocation from Operating		775,000	-	-			-	-	-
	Asset Management Allocation		225,000	225,000	225,000				225,000	225,000
	Current Lifecycle Funding		3,137,000	3,137,000	3,137,000				3,137,000	3,137,000
	Quarry Park Multipurpose Facility City Funding			603,673	603,673					
	Interest earned		76,382	-	-					
Total Funds Available			15,535,800	10,455,086	10,455,086				4,073,820	3,888,220
Surplus of Cash Available ove			6,489,413	60,020	711,820				526,220	387,820



Report to the  
Calgary Public Library Board  
September 28, 2016  
**Operating Budget Adjustments: Q2 2016**

**I. ISSUE**

This report will summarize confirmed sources of new Library funding that are additions to the approved 2016 operating budget. The Board will be requested to approve the additional revenue and the expenses that this revenue will permit.

**II. BACKGROUND and PREVIOUS DIRECTION**

The Board approved the 2016 budget on January 27, 2016. Only known revenue or revenue from a source with a proven funding history were included in the balanced budget brought to the Board at that time.

Recognizing that other sources of funding were likely to occur later in the year, the original report recommended that additional revenue, and the matching expenses, be brought forward for approval on a quarterly basis. In particular, restricted grant funding from the Calgary Public Library Foundation needs to be added to ensure that fund expenditures happen in a timely manner and are appropriately communicated to the people responsible for the expenditures through the budget process. Other changes may also be appropriate through the budget adjustment process.

This report is the second quarterly budget adjustment to be brought to the Audit & Finance Committee to amend the 2016 budget based on additional revenue.

**III. ASSESSMENT**

Budget adjustments are being requested for the following reasons.

Additional revenue grants from the Foundation will be brought to the Board quarterly upon advice from the Foundation. The Foundation has provided several additional grants, which are being brought for revenue and expenditure approval.

We are also pleased to request an increase to the budget for provincial funding revenue. The library grant funding formula in the provincial budget reflected 2015 population numbers, which added approximately \$198,000 to our provincial revenue. A separate grant was also received to fund on-reserve and on-settlement services for Indigenous populations. This funding has provided approximately \$9,000 in additional revenue. The use of this funding has not been prioritized as yet. Consequently, expense adjustments are not being requested at this time.

**IV. RISK ASSESSMENT**

These changes will ensure individual managers are aware of the full budget that is available to their libraries. It will minimize variances and increase the budget's clarity and transparency.

**V. RECOMMENDATION**

That the Calgary Public Library Board approve the Operating Budget Adjustments as presented in Attachment 1.

Elrose J Klause, CMA  
Controller and Director, Financial Services

Attachments:

1. Summary of Operating Budget Adjustments: Q2 2016

### Summary of Operating Budget Adjustments: Q2 2016

	Budget Approved Jan 2016	Budget Approved Q1	Recognize Additional Provincial Gov't Funding	Foundation	Budget
			1	2	
<b>Revenues</b>					
City of Calgary Base	44,389,000	44,389,000	-	-	44,389,000
Province of Alberta	6,633,000	6,633,000	207,000	-	6,840,000
Federal Government	-	240,000	-	-	240,000
Fines	1,238,000	1,238,000	-	-	1,238,000
Investment and other revenue	452,000	452,000	-	-	452,000
Donations, grants, and sponsorships	1,575,000	1,563,000	-	115,000	1,678,000
<b>Total revenues</b>	<b>54,287,000</b>	<b>54,516,000</b>	<b>207,000</b>	<b>115,000</b>	<b>54,838,000</b>
<b>Expenditures</b>					
Salaries and employee benefits	35,962,000	36,118,000	-	20,000	36,138,000
Collections	7,308,000	7,308,000	-	-	7,308,000
General operating	6,810,000	6,820,000	-	93,000	6,913,000
Building and equipment	3,497,000	3,520,000	-	2,000	3,522,000
Occupancy costs	975,000	975,000	-	-	975,000
Furniture and equipment	-	-	-	-	,000
<b>Total expenditures</b>	<b>54,552,000</b>	<b>54,741,000</b>	<b>-</b>	<b>115,000</b>	<b>54,856,330</b>
<b>Revenues in excess (less than) expenditures before debentures and contributions</b>	<b>(265,000)</b>	<b>(226,000)</b>	<b>207,000</b>	<b>-</b>	<b>(19,000)</b>
Contributions to reserves	(225,000)	(225,000)	-	-	(225,000)
Contributions from balance of SPF reserves	490,000	451,000	-	-	451,000
<b>Net</b>	<b>0</b>	<b>0</b>	<b>207,000</b>	<b>-</b>	<b>207,000</b>

**Note:**

- 1 Recognize Provincial Government funding and regional library system grant.
- 2 Additional restricted grant from the Foundation.



Report to the  
Calgary Public Library Board  
September 28, 2016  
**Review of External Auditor Appointment**

**I. EXECUTIVE SUMMARY**

This report is to provide the Audit & Finance Committee with an update on the appointment of the External Auditor for a five year period starting in 2013, and to recommend that the Audit & Finance Committee recommend to the Board that the Calgary Public Library extend the auditor to align our financial statement review with that of The City of Calgary for the 2016 fiscal year.

**II. PREVIOUS DIRECTION/POLICY**

The Calgary Public Library is required, under Section 9 (b) of the *Libraries Act* (Alberta), to have a person who is not a member of the municipal board and whose qualifications are satisfactory to council review the accounts each year and prepare a financial report in a form satisfactory to council. Further, Section 9 (c) of the Act requires this financial report be submitted to Council immediately after its completion.

The City of Calgary Bylaw 38M2006 is more precise, stating in Section 8:

- (a) The Board's financial accounts and processes will be audited annually by an independent external auditor.
- (b) The Board will retain the same auditor as is retained by Council to audit the accounts and processes of the City of Calgary.

The City of Calgary appointed Deloitte for a five year period starting in 2013, subject to annual review. In October 2013, the Calgary Public Library also appointed Deloitte as the Library's external auditor for 2013, and subject to annual review, this appointment will continue up to and including the 2017 fiscal year.

**III. BACKGROUND**

Previous practice has been to appoint the same auditor as the one appointed by The City to align with the requirements of Section 8 of Bylaw 38M2006, and to ensure reporting is aligned to meet The City's financial requirements in an efficient and readily transparent manner. Calgary Public Library's financial results are consolidated with The City's, and, when consolidated, must be prepared in a way that is consistent with The City's. Use of the same audit firm will ensure there is no need for additional work reviewing and restating results to ensure data is consistently presented.

Legal advice was sought in 2014 regarding the rationale for the Library Board appointing an external auditor that has been mandated by The City through Bylaw. Legal counsel advised that although there is no requirement in the *Libraries Act* (Alberta) or the Libraries Regulation to accept the same auditor, the responsibility still falls to the Library Board to make the appointment of the external auditor in the best interests of the Library.

#### **IV. PROGRESS TO DATE**

The City's continuing appointment of Deloitte has been confirmed for the 2016 fiscal year.

The Library has developed a strong relationship with Deloitte, and is pleased that there will be continuity in the audit team who were in place previously.

We have confirmed with Deloitte that they will be available for the 2016 audit period. The 2016 Audit Service Plan will also be presented by Deloitte to the Audit & Finance Committee on October 18, 2016 and will include proposed audit fees.

#### **V. RISK ASSESSMENT**

The Calgary Public Library is required by the Act to prepare an annual financial report satisfactory to Council. Bylaw 38M2006 directs the Library to use the same auditor that The City has appointed. Although there is no requirement in the *Libraries Act* (Alberta) or the Libraries Regulation requiring the Library to accept the same auditor, the best interests of the Library are met by doing so.

The Library's audit experience with Deloitte over the last fiscal year has been without issue and we have benefited from the continuity of their audit approach.

#### **V. RECOMMENDATION**

That the Calgary Public Library Board approve:

- c. That Deloitte be appointed as the Library's auditor for the 2016 fiscal year, and
- d. That this appointment may continue up to and including the 2017 fiscal year, with annual reviews

Elrose J Klause, CMA  
Controller & Director, Financial Services

Report to the  
Calgary Public Library Board  
September 28, 2016  
**Report of the Governance Committee Meeting  
September 7, 2016**

**In Attendance:**

**Board:** Ms. Shereen Samuels, Chair; Ms. Catherine Angus, Ms. Janet Hutchinson, Ms. Debra Giles

**Administration:** Mr. Bill Ptacek, CEO; Ms. Ellen Humphrey, Deputy CEO

**I. Business Arising from Minutes**

**A. CEO Compensation Review**

Ms. Hutchinson has circulated the consultant's final report to members of the compensation committee. The committee will meet separately to discuss and make a recommendation to the Board at its September meeting.

**B. Succession Planning Procedures**

Ms. Hutchinson will present the *Succession Planning for the Board* procedural document for review at the October Governance meeting. The Committee will look particularly at the role of the vice-chair – whether the position functions as a back-up or whether the incumbent is groomed to take over the role of the Board Chair.

**II. Board Recruitment Update (Item Name Changed from Succession Planning)**

The search firm's long list of 13 candidates has been narrowed down to a group of six. In the initial interview with the firm, the time commitment was identified as an important screening qualifier. Interviews will be conducted on Friday, September 9. The successful candidates' names will be presented to the Board for approval to recommend to City Council at September's Board meeting.

The Committee will discuss at a later date the idea of non-Board members on committees.

The Committee discussed providing some input to Council on the candidate-choosing process. Ms. Hutchinson and Mr. Ptacek will bring it up with Councillor Woolley at their next meeting, scheduled for tomorrow morning. There was agreement among Committee members that allied Commissions and Boards be contacted to ascertain if they have encountered a similar situation.

Action Item	Person Responsible	Timeline
Organize meeting to discuss compensation consultant's final report	Janet	Immediately
Bill and Janet to talk to Councillor Woolley about process	Bill and Janet	September
Contact Howie Shizake of the Police Commission	Catherine	Immediately

### III. The New Board Year

The Governance Committee will take responsibility for redesigning the Board's organizational meeting to incorporate other items in addition to Committee assignments. Topics advanced included:

- Board culture
- Board development
- Conflict management
- Conference attendance or ICD training for Board members
- Review of contents in the Board Handbook

It was agreed that the following items be discussed at the Organizational meeting:

- Code of Conduct
- Rules and Responsibility
- Staff work on engagement
- Role of senior management
- Advocacy
- Portal show and tell
- Branch tours

Ms. Angus raised the possibility of a Board mentor for new Board members. This would provide development for both parties. The Committee discussed whether this should be a single individual or shared among all Board members. No conclusion was reached.

The Committee discussed the possibility of a designated First Nations Board member, which would take the number of Board members to eleven. It was agreed that it would be discussed further at the October Governance Committee meeting.

Action Item	Person Responsible	Timeline
Document Board recruitment process and history	Unnamed	Prior to next recruitment cycle
Synchronize CEO compensation and evaluation	Governance Committee	To be determined
Indigenous Board member position	Governance Committee	October Committee meeting
Poll the Board regarding whether or not they want a paper Board Handbook	Administration	Prior to Board Organizational meeting

### IV. Workplan Review

The only outstanding item is succession planning which will be discussed at the October Committee meeting.

Shereen Samuels  
Chair, Governance Committee

**Report to the  
Calgary Public Library Board  
September 28, 2016  
Report of the Strategy & Community Committee Meeting  
July 11, 2016**

**In Attendance:**

**Board:** Ms. Judy Gray, Ms. Debra Giles, Ms. Shereen Samuels

**Administration:** Mr. Bill Ptacek, CEO; Mr. Mark Asberg, Director, Service Delivery  
Ms. Lori Chmara, Business Analyst, Planning and Research; Ms. Cathy  
Freer-Leszczyński, Director, Partnership Development; Mr. Paul Lane,  
Director, Corporate Services; Ms. Sarah Meilleur, Director, Service  
Design; Ms. Jacquie Puff, Planning and Research Specialist

**I. Strategic Plan Quarterly Review**

- *Mr. Paul Lane, Director, Corporate Services*
- *Ms. Lori Chmara, Business Analyst, Planning and Research*
- *Ms. Jacqueline Puff, Planning and Research Specialist*

A recent survey on the Library website provided new measures of patron perception of quality of library space, online and in-library experience, staff and collections. These numbers will be used as a baseline against which future results will be compared.

There was a less favourable perception of social spaces as opposed to study and reading spaces. Additionally many of the respondents don't use the spaces and those who do, don't particularly like them. These numbers were higher in the random telephone survey that was conducted last fall. After the Committee expressed some concern about this, it was explained that the online survey had a high number of respondents indicating moderate satisfaction and that an increase in overall system square footage will have an impact in the future. It was agreed to take a wait and see approach.

Facility service area alignment will become closer to the .3 square foot per person target as the new community libraries come into service. Difficulties still exist with respect to proximity of libraries to people. Large libraries will meet the square foot per person target, but will require the Library to do more outreach programming. Responding to Committee members queries about the history of building larger libraries, Mr. Lane explained that City Administration now includes funding for libraries in new community developments along with recreation facilities and fire stations and are working on a levy bylaw that will create a stream of funding.

Performance measures related to baseline and target were also presented. Q2 showed decreases in terms of performance against baseline reflective of a certain amount of seasonal change in programming. As the Library moves forward with new service design and delivery, Committee members wondered how long the Library can continue to do more with the same budget and expressed concern with respect to staff working at the pressure point where tradition meets transition. Mr. Lane concluded the discussion by saying that a great deal has been accomplished without a lot of overt stresses on employee relations.

## **II. Engagement with Indigenous Communities**

– Ms. Rosemary Griebel, Design Lead, Readers' Services

Ms. Griebel began by acknowledging that the Committee meeting is being held on Treaty 7 land.

### **Programming**

- Since April, the Library has been meeting with Tsuut'ina Nation community leaders to listen and gather information on how best to provide services.
- It is also partnering with the Inikokaan Aboriginal Centre at Bow Valley College.
- The Library's programming plan for indigenous communities will be more intentional, engaged in dialogue and community-led than in the past.
- A pilot project is developing that will bring together elders from different nations to produce a document with the Library as the designated keeper of the knowledge embodied in the document.
- Cards and resources are available to members of any indigenous population, but outreach programming will be provided only to the Tsuut'ina Nation as per instructions provided by the Library Services Branch of the provincial government.

### **Demographic information**

- The Tsuut'ina Reserve has a population of about 2,000 with 40% being under 20 years of age
- It is estimated that there are approximately 36,000 people of Aboriginal descent living in Calgary, the majority in Forest Lawn.
- The population numbers are fluid and may be underestimated.
- Forest Lawn, Judith Umbach, Signal Hill and Southwood are the libraries most used by the indigenous community.

The most significant change being contemplated is the creation of a one year term indigenous liaison position which will provide knowledge, trust and connections and assist in program development. The position would be funded by the Foundation.

	<b>Action items arising</b>	<b>Person Responsible</b>	<b>Deadline</b>
1	Provide wording with respect to acknowledging Treaty 7 land	Rosemary	immediately

## **VI. Board Advocacy Plan**

- Mr. Mark Asberg, Director, Service Delivery

### **A. Upcoming Events of Interest to the Calgary Public Library Board**

The Committee was pleased with the new Upcoming Events table that was presented. The Board Advocacy Plan and Upcoming Events table will be combined and presented to the Strategy and Community Committee at their next meeting in September.

	<b>Action items arising</b>	<b>Person Responsible</b>	<b>Deadline</b>
1	S&C Committee will bring forward critical advocacy events to the Board quarterly.	Catherine	September S&C Meeting and Board meeting
2	Add Council members contributions to Board Advocacy Plan	Judy	September S&C meeting

Judy Gray  
Acting Chair, Strategy and Community Committee



Report to the  
Calgary Public Library Board  
September 28, 2016  
**Strategy and Community Meeting**  
**September 12, 2016**

**In Attendance:**

**Board:** Ms. Catherine Angus, Chair; Ms. Debra Giles, Ms. Judy Gray, Ms. Janet Hutchinson, Ms. Shereen Samuels

**Administration:** Mr. Bill Ptacek, CEO; Mr. Mark Asberg, Director Service Delivery; Ms. Jackie Flowers, Service Design Lead; Ms. Ellen Humphrey, Deputy CEO; Mr. Paul Lane, Director, Corporate Services; Ms. Sarah Meilleur, Director Service Design; Ms. Shannon Slater, Manager, Service Delivery, Central Library

**I. Approval of Minutes**

The minutes of the July 11, 2016 Strategy & Community Committee meeting were unanimously approved with the following change: Ms. Hutchinson did not make the motions attributed to her in the Minutes. The minutes will be changed to reflect the correct movers.

**II. Business Arising and Review of Action Items**

The Committee agreed that the Board should acknowledge Treaty Lands at the opening of all meetings.

All prior action items have been completed.

	<b>Action items arising</b>	<b>Person Responsible</b>	<b>Deadline</b>
1	Distribute suggested wording for acknowledging Treaty 7 in welcomes and openings at Board and Committee meetings	Sarah/Barb	Immediately

**III. Bringing the Library Experience to Kensington**

- Ms. Shannon Slater, Manager, Service Delivery, Central Library and Ms. Jackie Flowers, Service Design Lead

A new temporary library space opened Thursday in the Lido building in Kensington. Open three days a week at least until the end of December, the space will be used to pilot new programs, connect with new patrons, and engage with the community. This location provides a particularly strong opportunity to connect with a demographic who are less likely to use the Library, namely young urban professionals. Activities in the space include a self-directed adult learn to code program, in addition to creative and literary themed programs. Only curated collections are featured in the space. Team members are actively drawing people in by circulating outside and at the nearby train station. The library is open 14 hours per week and the cost of staffing is

taken from Central's current staff budget, taking advantage of some FTE that has become available as other activities have been discontinued. Many of the people who have come in have indicated that they have not been in a library for many years. Explaining the difference in strategy between book trucks and pop-up libraries, Mr. Asberg noted that book trucks are specifically focused on literacy in communities where local libraries do not yet exist, while pop-up library spaces are designed to attract demographics that are currently less likely to be Library users and may offer a broader range of programming.

Committee members suggested:

- Better signage to make the library more visible to people driving by
- Reaching out to neighbourhood schools
- Advertising in community newsletters
- Conference presentations about the experience
- Advertising in local coffee shops

#### **IV. Memorial Park 2.0**

*- Mr. Mark Asberg, Director, Service Delivery*

The most prominent responses to the community engagement about the future of Memorial Park Library were that: Memorial Park Library should expand its role as a community hub where local citizens can connect and engage with each other, could respond more effectively to the community's need for leisure and learning space (including outdoor space) away from work and home, and should provide an array of cultural experiences from music and art to literature, travel and health. The first phase is to reimagine the second level with the community demographic in mind – PCs will be replaced by Chromebooks, featured or curated collections and holds will be highlighted, materials handling will move offsite and service hours will be increased. The target date for completion of the first phase is the first quarter of 2017. The second phase will remodel the third level to make it suitable for high impact programming and events and is expected to be completed by summer 2017. The third phase, scheduled for 2018, contemplates opening up the west side of the library to integrate it with Memorial Park. Strategic partnerships with City of Calgary Parks Department, local BRZs and community groups are already in place and planning is in progress to apply for funding focusing on repurposing heritage buildings.

#### **V. Initial Planning for the 2017 Board Retreat**

*–Ms. Catherine Angus, Committee Chair and Ms. Judy Gray*

Ms. Angus asked for Committee input on the annual Board retreat. It was suggested by Bill that the Board Retreat be moved to late 2016 if possible, rather than early 2017, as that would help ensure that the retreat could better contribute to 2017 plans and priorities, rather than taking place once the new year is well underway. Suggestions for content for the retreat included:

- Refresh of CPL Mission & Vision {Janet}
- Defining & enabling the culture of the Library, into the future (CULT supporting the Library's work in How & Who CPL will be in the 21st century) {Administration}
- 2019-2022 Strategic Plan process {Shereen}
- Indigenous Liaison {Deb}
- Team Development Activity {Shereen}

- NCL and system priorities {Bill}

Venue was identified as a discussion topic, including considering a return to the Grey Eagle Resort and Casino, but given the tight timelines, Administration will also explore other possible venues. It was agreed that a work team would be struck to plan the retreat.

	Action items arising	Person Responsible	Deadline
1	Poll Board for possible dates in November	Catherine	Immediately
2.	Organize team to work on retreat	Catherine	Immediately

#### VI. Board Advocacy Plan

– Ms. Angus and Ms. Gray

Ms. Gray outlined three general advocacy categories discussed at an informal gathering of S&C members in August: advocacy, leadership and learning. The Committee reviewed the document, “Some Ideas for Board Advocacy in the Coming Year”, and found it to be useful in potentially prioritizing some 2017 advocacy activities. It was agreed that the three categories of advocacy, learning and leadership could be applied to the items in this list.

	Action items arising	Person Responsible	Deadline
1	Connect with CIFF Executive Director regarding a potential partnership	Debra	Immediately

#### VII. Update on the Master Facility Plan (Information Only)

–Mr. Paul Lane, Deputy Director, Corporate Services

Master Facility Plans are done on a five year cycle. According to City growth projections, there are 122,000 sq. feet of Library space to be planned in the next 25 years – which is 6 or 7 new libraries. A key part of the Master Facility Plan will be comprehensive reports on existing libraries; a consulting firm has been engaged to assess all libraries in the system and these reports will include recommendations for maintenance, energy audits, a facility condition index and a list of projects to be scheduled in order to maintain the facilities. Patron amenities, such as wayfinding, washrooms, number and condition of seats and PCs will also be assessed to inform lifecycle investment priorities. Another aspect of the Master Facility Plan is to consider options for current structures nearing the end of their lifecycle.

Catherine Angus  
Chair, Strategy and Community Committee



Report to the  
Calgary Public Library Board  
September 28, 2016  
**Motions to Re-appoint Calgary Public Library Board Members  
Whose Terms are Expiring**

**Purpose:**

The purpose of this report is to confirm Board approval of re-appointments of Board Members, whose terms are expiring on October 31, 2016, in order to include these recommendations in the report to City Council for consideration during its October Board appointments process.

**Recommendations:**

That the Calgary Public Library Board:

- 1) Recommend to City Council the re-appointment of Debra Giles to the Calgary Public Library Board for a term of 3 years, from November 1, 2016 to October 31, 2019.
- 2) Recommend to City Council the re-appointment of Judy Gray to the Calgary Public Library Board for a term of 3 years, from November 1, 2016 to October 31, 2019.

Shereen Samuels  
Chair, Governance Committee



Report to the  
Calgary Public Library Board  
September 28, 2016  
**Approval of Recommendations of Governance Committee  
on New Board Member Candidates**

**Purpose:**

The purpose of this report is to confirm Board approval of the candidates to be recommended to City Council, from which Council may select and appoint a Board Member to begin a new term of service on the Calgary Public Library Board.

**Background:**

Following a recruitment process held by a search firm, the Governance Committee has circulated information and made recommendations, in confidence, about its final choice of candidates to all current Members of the Board. Following Council's procedure, the names of the candidates will remain confidential until the time of appointment.

**Recommendation:**

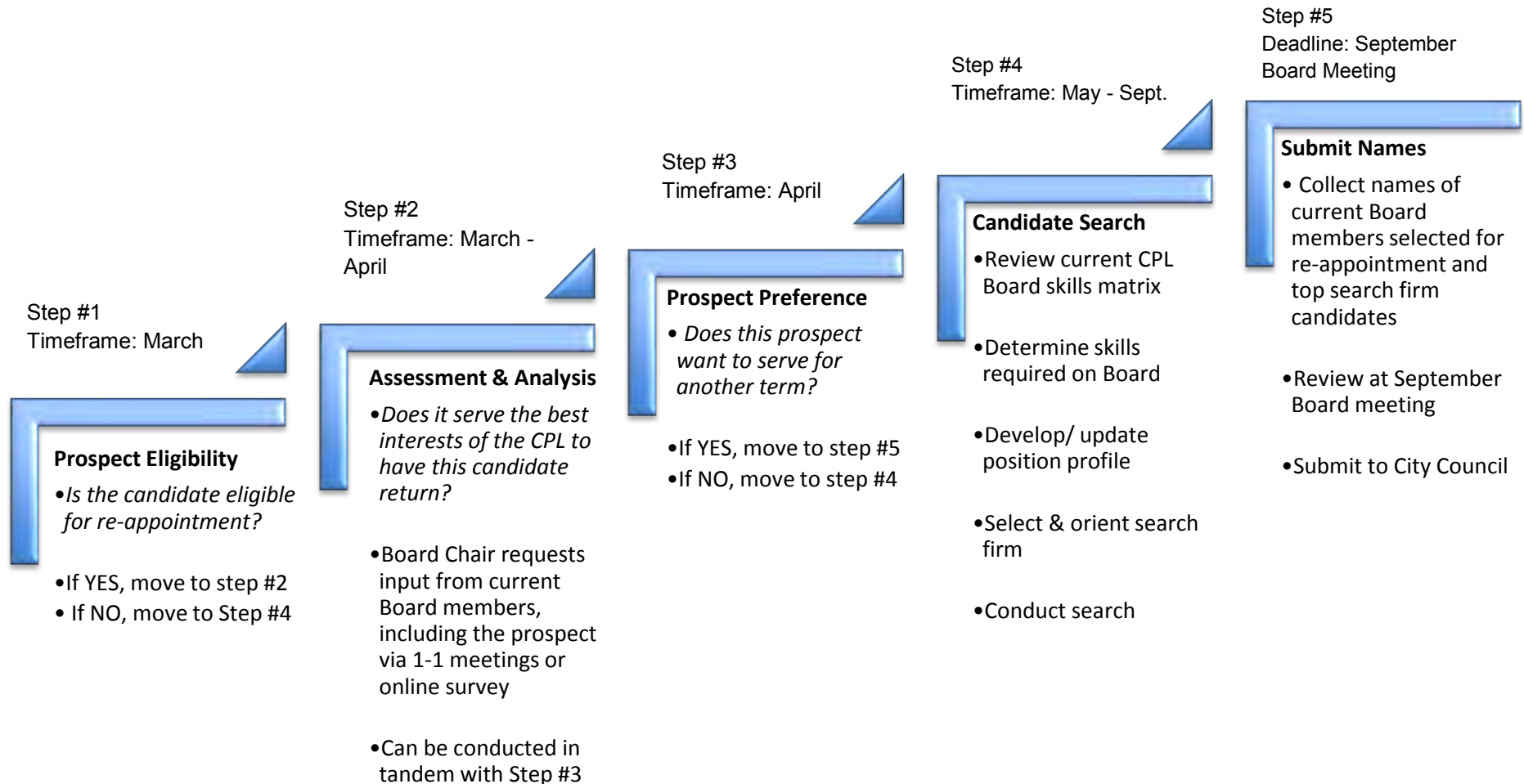
That the Calgary Public Library Board approve the recommendations of the Governance Committee on new Board Member candidates, and that these candidates be recommended to City Council for its appointment process.

Shereen Samuels  
Chair, Governance Committee



# CPL Board Member Re-appointment Guidelines

## 1 Re-appointment Process and Procedure



## 2 Guidelines for Assessment of Returning Board Members

The nominating committee will consider current directors whose term is expiring and who wish to stand for election or re-election in the same manner as other candidates, taking into consideration the Director's performance during his or her term, including consideration of the following factors:

- (a) Understanding and support of the CPL's objects and goals;
- (b) Attendance at Board and Board committee meetings;
- (c) Effective communication, including contribution at Board and committee meetings and on behalf of the CPL as requested;
- (d) Preparation for and participation at Board and committee meetings;
- (e) Support of Board decisions and actions, regardless of how the director voted;
- (f) An open mind to the views of others and the ability to change or adjust positions after hearing them;
- (g) Ability to express a dissenting or independent opinion, or challenge the majority view in a respectful and constructive manner;
- (h) Commitment to continuing education both on an individual and Board basis, and ability to use this education to inform Board deliberations; and
- (i) Compliance with governing legislation and by-laws, particularly conflict of interest, confidentiality and duty of care provisions.
- (j) passion and/ or experience and/ or connection to the library

Report to the  
Calgary Public Library Board  
September 28, 2016  
**Wordfest Partnership**

**I. PURPOSE**

This report outlines a partnership in principle with Wordfest for information for the Board.

**II. DETAILS**

The partnership will see Wordfest animate the Memorial Park Library and contribute programming expertise and events in the Dutton Theatre and New Central Library.

The Library would also look to provide office space for Wordfest on the top floor of Memorial Park Library and prepare the remaining space for public use in line with the report *Memorial Park 2.0* presented at the September Strategy and Community Committee meeting. The Library and Foundation would retain the right to animate the space with events.

**III. BACKGROUND**

The idea surfaced in the spring and a grant proposal was made to the Calgary Foundation to hire a consultant to assist with the process. Angie Gelinas was hired and a number of sessions were held with the Wordfest board and discussion with key library staff and Board members.

With the changes occurring in Memorial Park for public service as well as the re-location of the Foundation to the Hillier Block some new opportunities arose for collaboration. On September 12, 2016 the Wordfest board gave unanimous consent to the idea of moving to and animating the Memorial Park Library as a unique cultural hub, as well as contributing programming expertise and events to the Dutton Theatre and New Central Library.

**IV. RECOMMENDATION**

That the Calgary Public Library Board receive the report, *Wordfest Partnership*, for information.

Paul McIntyre Royston  
Director, External Relations