



CALGARY PUBLIC LIBRARY

Board Meeting

5:30 PM

Wednesday, September 26, 2018

New Central Library



I.	Treaty 7 Opening and Chair's Opening Remarks	...2
II.	Review of Agenda	
III.	Consent Agenda <u>(5 minutes)</u>	
	A. Minutes of the June 27, 2018 Board Meeting	...4
	B. Chair's Report	...10
IV.	Business Arising <u>(20 minutes)</u>	
	A. Business Arising from the Minutes	
	B. Advocacy Updates	...verbal Information
V.	Chief Executive Officer's Report <u>(15 minutes)</u>	...12
	<i>Mr. Bill Ptacek, CEO</i>	Information
	A. Update on Seton Library	...verbal
	<i>Mr. Mark Asberg, Director, Service Delivery</i>	Information
VI.	New Central Library Updates	
	<i>Ms. Mary Kapusta, Director, Communications</i>	
	A. NCL Liaison Report	...verbal
	<i>Ms. Deb Giles and Councillor Evan Woolley, NCL Liaisons</i>	Information
	B. Update Presentation	...verbal
	<i>Ms. Mary Kapusta, Director, Communications</i>	Information
	C. Opening Activities at a Glance	...verbal
	<i>Ms. Mary Kapusta, Director, Communications</i>	Information

VII.	Audit & Finance Committee <i>Ms. Deb Giles, Committee Chair</i>	
	A. Report of the July 17, 2018 Meeting (based on draft unapproved minutes)	...20 Information
	B. Update on July 25, 2018 Presentation to the City Audit Committee	...verbal Information
VIII.	Strategy & Community Committee (20 minutes)	
	A. Report of the September 4, 2018 Meeting (based on draft unapproved minutes) <i>Mr. Rob Macaulay, Committee Chair</i>	...42 Information
IX.	Governance Committee (20 minutes)	
	A. Report of the September 12, 2018 Meeting (based on draft unapproved minutes) <i>Ms. Shereen Samuels, Committee Chair</i>	...46 Information
	B. Expression of Interest for Officers and Committees	...verbal Discussion
	C. Board Members' Development Interests	...verbal Discussion
X.	Calgary Public Library Foundation Update <i>Mr. Avnish Mehta, Board Representative</i>	
	A. Calgary Public Library Foundation Report	...to be tabled Information
	B. Report on Special Meeting of Calgary Public Library Foundation Board and Calgary Public Library Board, August 29, 2018	...50 Information
XI.	Other Business	
XII.	In Camera Agenda	...56
XIII.	Adjournment	

Treaty 7

Meeting Opening

We are gathered here today at a place called Moh'kinsstis, a Blackfoot word that means elbow. The word describes the landscape of what is now known as Calgary, an area where the Elbow River meets the Bow River.

It is in the spirit of respect and truth that we honour and acknowledge Moh'kinsstis, and recognize the traditional territories and oral practices of the Blackfoot people, the Nakoda people of the Stoney Nation, the Beaver people of the Tsuut'ina Nation, and the Métis Nation of Alberta, Region Three. This Library is one of 20 libraries across our city built on this traditional land. Finally, we acknowledge all people who make their homes in the Treaty 7 territory of Southern Alberta.

Report to the
Calgary Public Library Board
September 26, 2018
Chair's Report

Jun 25	Meeting with Andrew MacPherson, Board Chair, Wordfest
Jun 27	Attended, with Bill, Kurt Hanson's retirement celebration at City of Calgary Library Board Meeting
Jul 19 – 20	ULC Meeting in Houston
Aug 07	Brief meeting with Bill
Aug 13	Meeting with Judy re ALTA One on one and ALTA discussion with Avnish
Aug 22	Media Training 5-hour session by Edelman
Aug 23	Board selection sub-committee interviews with Board candidates
Aug 28	Meeting with Shereen
Aug 29	Joint Foundation – Library Boards Retreat
Aug 30	Operations Centre Inauguration BBQ
Sep 4 – 8	Urban Libraries Council (ULC) Forum in Baltimore, MD
Sep 12	Board Agenda meeting with Shereen, Bill and Mark Governance Committee
Sep 14	NCL Key Exchange media event
Sep 15	NCL Pipe Ceremony

Throughout July, August, September:

- Communications regarding Board recruitment and appointments
- Preparation and follow-up to meetings
- Phone calls and meetings with Board and Library staff on various matters

Janet Hutchinson
Board Chair

Report to the
Calgary Public Library Board
September 26, 2018
CEO's Report
September 2018

GOVERNMENT RELATIONS

Our two main touchpoints with The City this summer came with the report to The City's Audit and Finance Committee on July 25 and the "One Calgary" Four-Year Budget Presentation on September 17. Both presentations seemed to go well. The Library has great numbers in terms of citizen satisfaction, number of visits and number of active cardholders. The budget presentation on September 17 was a bit more problematic in that it is a new process for The City and the Library could only identify a funding scenario in which the operating budget was held flat over the four-year time frame. With the natural inflation of operating costs, the flat budget leaves the Library in a deficit position which grows to over \$2.3 million by the fourth year. We did indicate that we would work with whatever The City was able to provide to the Library, but if we were in that deficit position, we would be significantly hampered in our ability to provide programs, services and outreach. The Priorities and Finance Committee will be working on the operating and capital budgets between now and November when they vote on the final allocations.

On the capital side we were pleased to see planning money being recommended to explore possibilities in the communities of Forest Lawn and North Hill. That usually starts the process for new facilities. Skyview in the northeast and Sage Hill will be the growth area libraries that are also included in this cycle.

The Library also requested roughly \$5 million per year for lifecycle funding that will keep all of the libraries in the system in good shape over the next four years. That lifecycle funding fueled the renovations of all libraries prior to the opening of the new Central Library.

The move of Engine 23 to Louise Riley has run into some unexpected challenges. The community association has rights over the grounds around the Library. While they support the move of Engine 23, they would like to see the parking expanded. The City's permitting officials believe that expanded parking should not be a part of the plan. This leaves the Library in a difficult position in that we want good relations with the community association and we are prepared to expand parking. However, if The City does not change its recommendation we will not be able to move forward. It is imperative that the platform for Engine 23 be in place before the bad weather so that the rest of the structure can be built in time to move it soon after the old Central library closes on November 1st.

Our friends at the Calgary Municipal Land Corporation (CMLC) have been given the go ahead to work on the disposition of the old Central library by The City of Calgary. There are only a few areas that have sprinkler systems, so they are trying to fill the building with a tenant who will be able to work out of the first floor and the lower level. A prospective tenant has toured the facility several times and it looks like there will be a new use and activation of the site shortly after the first of next year.

OPERATIONS

The Library's Executive Leadership Team has gone through a bit of restructuring over the summer. Since Paul Lane and Corporate Services are already working on the budget, the capital budget and the evaluation of the strategic plan, we have moved Financial Services under his direction. Elrose Klaus will report to Paul and help him implement the plans for financial services that we received from an internal operation audit from MNP.

To give Paul capacity to take on this new challenge, Mark Asberg will assume responsibility for Information Technology. Mark will begin working immediately on a technology plan that will fit with and support the upcoming Strategic Plan.

Also during the summer we were pleased to see that Heather Robertson has added another Library patron under the age of 5 to our growing cadre of youngsters in Calgary. The baby came a bit early, but everyone is doing well. While Heather is on leave, Jackie Flowers, a Senior Design Lead has taken over her role in Service Design. Mark Asberg will be supporting the Governance Committee, Sara Meilleur will support the Strategy and Community Committee after November 1. Paul Lane will be the liaison with the Audit and Finance Committee.



By the Numbers

Membership numbers continue to grow, more than making up for any inactive patrons who may be dropping off due to inactivity. Our membership total at the end of August is 666,195. In August 2018, 60% more new members signed up for the Library than in August 2017, no doubt in part due to the success of Love Your Library Day across the system.

The Ultimate Summer Challenge was an amazing effort that reached more participants than ever, with the Library offering 20% more programs than last year with significantly more participants joining in.

The Library's social media following continues to increase by about 20% year over year, thanks to the higher profile our Marketing and Communications Department has been growing and maintaining in the run up to the opening of the new Central Library.

In August we recorded 1.4 million impressions on social media, a huge increase over our monthly average of 420,000. This means more people are seeing our content on social media more often. We can attribute this jump to multiple August social media campaigns, including our first-ever Facebook Live event on August 24, in which Sarah Meilleur answered patron questions about the new Central Library, and an ongoing sponsored Facebook campaign promoting the Library among newcomers, music lovers, and other specific audiences.

Another increase in impressions came from Love Your Library Day, which took over our social media feeds on August 18. Our event hashtag, #LoveYourLibrary, even trended on Twitter.

Feature Number: Sage Hill Library Turns 1

Sage Hill Library turned one this summer. In the first 12 months of operations, the small but mighty Sage Hill team (5 FTE working in 1,700 square feet) has welcomed 62,367 visitors, circulated 93,286 physical items, assisted patrons with 15,871 print jobs printing 74,469 pages, offered 479 programs in the library and the community that included 6,932 attendees.

To commemorate the occasion, the community signed a birthday banner. It's been a great year full of learning and excitement and we look forward to Sage Hill growing into a full-sized location in the years to come.



Love Your Library Day

August 18 was Love Your Library Day, an opportunity for people across Calgary to visit and celebrate their community libraries. The day featured a city-wide story time with special guest storytellers like Lieutenant Governor Lois Mitchell, City Councillors Diane Colley-Urquhart and Jyoti Gondek, MLAs Brandy Payne and Michael Connolly, Library Board Chair Janet Hutchinson, CTV Morning host Lane Fraser, the CBC's Angela Knight, master storyteller Margaret Ptacek and many others. Patrons reported visiting multiple libraries on August 18 to take in all the activities and events, which included window and face painting, airbrush tattoos, R2D2, hula hooping, living statues, mad scientist presentations and surprise visits from Calgary Fire Department squads.



From Saturday, July 28 – Sunday, August 5, Memorial Park Library hosted and collaborated on a variety of events in honor of Historic Calgary Week including collaborating with The City on their Heritage Week Concerts in Central Memorial Park.

One very special event that we hosted during Historic Calgary Week was the renaming of our Salon in honour of Alexander Calhoun on Thursday, August 2. Cohosted by Andrew Guilbert of *Avenue Magazine* and myself, the event celebrated the life and legacy of our first librarian. The event drew a huge crowd, and Alexander Calhoun's grandson, John Alexander Calhoun, travelled to Calgary from Portland, Oregon with his wife Diane for the event and dedication. Following the event, Sarah Meilleur led a historic walking tour titled *The Evolution of the Library*



Kevin Allen will be our first **Historian in Residence**, in place for the opening of the new Central Library. Kevin has been documenting queer people and events for over 25 years, writing for local and national LGBTQ media. A career arts administrator with a Masters Degree in Public Administration from the University of Victoria, he is the director of The Calgary Gay History Project, a research collective working to uncover and preserve stories from Calgary's LGBTQ past. The project achieved national recognition at the Governor General's History Awards in October 2015, and its research has been covered in both local and national media. Modelled after the Author in Residence program, Kevin will accept appointments to assist patrons with research queries and will curate an exhibition for Calgary's Story in the New Year.

On July 20 the Memorial Park Library partnered with the Beltline Neighbourhoods Association (BNA) and local sponsors to host a special launch party for the Beltline Urban Murals Project in Central Memorial Park. Featuring posters of the murals, local DJ's and singers, and Memorial Park Library's instruments and recreation resources, the event drew an estimated 500 people and culminated with an impressive outdoor showing of Wes Anderson's *Fantastic Mr. Fox*. While the BNA generously recognized the Library's contributions to the crowd, full kudos goes to the BNA for planning this amazing event.

As materials were being installed in the new Central Library, we were notified that warehouse space was going to be required to house leftover furniture, carpeting flooring and other "stuff." We were fortunate to find not only warehouse space but a building that had offices and was within a block of the 39th Street LRT Station. In July we moved the Collections, Information Technology and Facilities departments to that building. It freed up space at the new Central Library which will enable the library to house and support community partners at the Central Library.



In late August, Mary Kapusta led messaging and media training for Library leadership and the Board in partnership with Edelman PR. This training was also repurposed to launch the

Community Champions program. The New Central Library Community Champions program is a new initiative to identify staff that can extend our promotional reach, both internally and externally. These Champions were identified by their manager to receive additional communications training to deliver presentations on the new Central Library for staff and members across the system, as well as partners and community groups.

Forest Lawn Outdoor ELC

Throughout the summer, at Forest Lawn in the **Outdoor Early Learning Centre**, daily themed activities activated the space with support from Library Volunteers. Themes included: Music, Arts/Making, Water and Wheels, and Recycled loose parts.



On June 24, the Art Selection Committee for the **Indigenous Place Making** project met for the first time to review proposals from artists. The committee collaborated and proposed opportunities to 8 Indigenous artists. The proposed artists met with CPL's Elders' Guidance Circle to receive input and dialogue on their artworks and blessings to move forward. Six of the artists accepted the proposed opportunity and have been busily working away on their installments. The installments are expected to be in place by October 20, 2019. While working on their pieces, the artists have visited Treaty 7 communities to engage with community members and Elders on the process and ensuring that the artworks are inclusive of the vast cultures within Treaty 7.

OTHER

The new Central Library has dominated the Calgary Public Library over the last few months. There are events and activities around the new building almost on a daily basis. In July we were asked to present on the NCL at the Harvard Design Institute for Architects and Librarians. This month the University of Calgary hosted a two hundred person "Designing Libraries Conference" which included a tour of the library, a presentation by Craig Dykers the architect of the NCL. On

September 14th on a cold and blustery afternoon, the keys to the building were transferred from Stuart Olson, the contractor to CMLC, the project managers to The City of Calgary and then to the Library. The next day we had a Pipe Ceremony to bless this building from our first Nations colleagues.

Mary Kapusta will spend time at this Board Meeting identifying the programs and activities around the new Central Library between now and November 3rd. (Family day Opening of NCL.)

MISSION MOMENT

It is often the case that libraries become so busy that we can be challenged to manage the noise levels on some days. When the weather was very smoky in late August and many families were looking for indoor alternatives, we noticed an uptick in use — and in the exuberance of that use. Drop- in Storytimes were offered frequently to mitigate the sound levels. One of the Signal Hill staff reported an experience that reframed things for her: “I was talking to a senior who just moved from Saskatchewan and wanted to make a new membership at the desk. It was a busy morning and the noise level from the ELC made it hard to carry on our conversation. But she wasn’t bothered at all, instead she said, “Wow, this is a happy library!” Her comment changed my point of view and I no longer think of it as noise. It is just a sound that makes Signal Hill a great and happy place!”

Bill Ptacek
CEO

Date

Year 2018
Month August

New Members

Aug	2018	15,7		YTD	2018	83,5	
	2017	9,81	60%		2017	76,3	9%

Active Members

Aug	2018	666,195
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Programs & Outreach

Programs

...in the library

Aug	2018	1,54		YTD	2018	11,4	
	2017	1,16	33%		2017	10,0	14%

...in the community

Aug	2018	229		YTD	2018	3,20	
	2017	260	-12%		2017	3,11	3%

...for adults, seniors or all ages

Aug	2018	800		YTD	2018	4,78	
	2017	473	69%		2017	4,25	12%

...for kids & teens

Aug	2018	1,20		YTD	2018	10,1	
	2017	947	27%		2017	8,87	14%

Total number of programs

Aug	2018	1,77		YTD	2018	14,6	
	2017	1,42	25%		2017	13,1	12%

Program participants

Aug	2018	33,7		YTD	2018	309,	
	2017	22,0	53%		2017	268,	16%

Library Space

Visits

Aug	2018	586,		YTD	2018	4,61	
	2017	577,	2%		2017	4,58	1%

Room bookings

Aug	2018	723		YTD	2018	5,05	
	2017	508	42%		2017	3,67	37%

Collections

Physical items acquired

Aug	2018	22,7		YTD	2018	205,	
	2017	26,8	-15%		2017	180,	14%

Physical collection size

Aug	2018	1,41	
	2017	1,44	-2%

Expenditure on physical items

Aug	2018	359,		YTD	2018	3,84	
	2017	407,	-12%		2017	3,25	18%

Total expenditure

Aug	2018	487,		YTD	2018	6,14	
	2017	554,	-12%		2017	5,43	13%

Circulation

Total Checkouts

Aug	2018	1,22		YTD	2018	9,49	
	2017	1,29	-5%		2017	9,89	-4%

...physical items

Aug	2018	972,		YTD	2018	7,61	
	2017	1,07	-10%		2017	8,22	-7%

...digital items

Aug	2018	255,		YTD	2018	1,87	
	2017	217,	18%		2017	1,66	12%

Access to Technology

Total technology sessions

Aug	2018	311,		YTD	2018	2,32	
	2017	292,	6%		2017	2,37	-2%

...computer sessions

Aug	2018	70,5		YTD	2018	570,	
	2017	70,9	-1%		2017	572,	-0%

...chromebook sessions

Aug	2018	18,3		YTD	2018	147,	
	2017	13,7	34%		2017	107,	37%

...wireless sessions

Aug	2018	47,1		YTD	2018	427,	
	2017	42,8	10%		2017	428,	-0%

...print, copy & scan jobs

Aug	2018	174,		YTD	2018	1,17	
	2017	164,	6%		2017	1,27	-7%

Website, Catalogue & Social Media Followers

Website sessions

Aug	2018	618,		YTD	2018	5,13	
	2017	682,	-9%		2017	5,45	-6%

Catalogue sessions

Aug	2018	434,		YTD	2018	3,47	
	2017	424,	2%		2017	3,46	0%

Social media followers

Aug	2018	43,8	
	2017	36,3	20%

Facebook, Twitter, Instagram & LinkedIn

Holds

Active holds

Aug	2018	248,	
	2017	225,	10%

Members with active holds

YTD	2018	47,9	
	2017	43,6	10%

Date

Year 2018
Month August

Monthly Community Library Results

August

Location	New Members		Visits		Circulation (Physical Items)		Computer Sessions		Chromebook Sessions		Wireless Sessions		Holds Filled (daily average)		Programs in the Library		Programs in the Community	
	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
Bowness	153	179	8,000	8,426	11,666	11,582	1,472	1,549	103	308	474	596	85	84	32	31	1	1
Central	1,922	7,279	89,719	114,163	52,683	45,712	17,850	13,808	2,277	3,318	6,320	6,741	488	477	183	116	58	36
Country Hills	611	676	36,987	34,642	55,918	49,580	3,879	4,208	396	738	3,402	3,146	383	324	63	39	1	0
Crowfoot	703	825	46,603	42,390	96,835	84,077	4,443	4,282	315	501	4,317	5,034	736	640	93	36	3	0
Fish Creek	696	820	41,453	44,059	81,901	72,814	4,543	4,725	438	607	3,020	4,150	575	530	71	44	10	2
Forest Lawn	438	397	22,000	20,917	20,183	17,105	4,744	5,174	414	771	1,885	2,391	136	107	44	30	14	31
Giuffre Family	315	292	17,484	17,781	32,532	26,779	1,839	1,814	316	349	1,266	1,417	264	243	67	40	8	4
Judith Umbach	312	319	21,000	18,521	32,275	26,851	3,299	3,256	495	719	2,043	2,126	247	228	58	39	6	10
Louise Riley	338	347	25,914	22,692	39,352	34,929	3,174	3,313	637	945	2,103	1,868	389	356	33	32	10	5
Memorial Park	260	258	13,728	13,556	12,454	10,553		0	1,119	1,170	1,403	1,047	135	119	44	38	5	2
Nicholls Family	310	389	16,137	16,011	17,745	14,906	1,356	1,825	1,301	1,109	1,891	2,113	143	115	21	12	13	1
Nose Hill	437	402	31,405	32,931	55,017	49,454	2,895	3,346	373	463	2,230	2,509	424	388	54	58	5	8
Quarry Park	326	354	22,134	19,400	26,249	25,196	1,804	1,931	218	368	1,243	1,380	128	115	49	50	1	3
Rocky Ridge		81				7,402		0		0		933		5		3		0
Saddletowne	651	787	42,608	47,565	28,242	25,670	6,578	7,042	2,113	3,485	2,647	3,321	139	115	46	30	6	2
Sage Hill	200	223	5,276	6,667	8,177	8,924		0	209	520	235	358	15	41	23	32		7
Shawnessy	787	823	44,456	47,938	65,309	57,022	4,473	5,329	745	764	3,415	3,280	557	459	81	61	31	31
Signal Hill	528	533	37,930	34,542	70,603	68,075	3,074	2,934	270	281	1,883	2,089	533	539	63	31	11	7
Southwood	252	251	15,226	14,519	29,035	24,733	1,823	1,793	184	266	861	1,046	289	243	51	35	2	4
Village Square	580	479	39,112	29,399	30,493	22,892	3,719	4,234	1,791	1,675	2,227	1,635	163	135	84	23	42	61
	9,819	15,714	577,172	586,119	766,669	684,256	70,965	70,563	13,714	18,357	42,865	47,180	5,829	5,263	1,160	780	227	215

Report to the
Calgary Public Library Board
Audit and Finance Committee Meeting
July 17, 2018
(based on draft unapproved minutes)

In Attendance:

Board

Ms. Debra Giles, Chair
Ms. Judy Gray
Mr. Rob Macaulay
Mr. Andrew Rodych

Administration

Mr. Bill Ptacek, CEO
Ms. Elrose Klause, Controller/Director, Financial Services
Ms. Heather Robertson, Director, Service Design
Mr. Mark Asberg, Director Service Delivery, Community Libraries
and System Operations
Mr. Paul Lane, Director, Corporate Services
Mr. Chae Jun, Manager, Accounting

Regrets

Ms. Janet Hutchinson

I. Treaty 7 Opening

We acknowledge the traditional territories and oral practices of the Blackfoot people, the Nakoda people of the Stoney Nation, the Beaver people of the Tsuut'ina Nation, and the Métis Nation of Alberta, Region Three. This Library is one of 20 libraries across our city built on this traditional land.

II. Review of Agenda

MOVED by Mr. Rodych, that the Agenda be approved as presented.

Carried Unanimously

III. Approval of Minutes

MOVED by Mr. Rodych, that the minutes of the April 18, 2018 meeting be approved as presented.

Carried Unanimously

IV. Business Arising

There was no business arising.

V. June 2018 Quarterly Risk Update

The Committee reviewed the items in the red and yellow risk categories, as follows:

- *Service Innovation*: The measurement of this green category risk was discussed as it relates to the number of active projects and the capacity to pursue them.
- *Security Incidents*: The Committee expressed an interest in the development of a ratio showing incidents related to location. It was noted that, with the new system in effect since last year, there is now a more reliable level of incident reporting by staff.

MOVED by Mr. Macaulay, that the Audit & Finance Committee of the Calgary Public Library Board receive the June 2018 Quarterly Risk Update for discussion and information.

Carried Unanimously

VI. Review of Operating Budget – Actual Versus Budget Report

The Committee discussed how best to handle non-cash expenses, depreciation, collections budget, and un-budgeted capital funds received during the year. It was decided that Ms. Klause, Mr. Rodych and Ms. Giles would discuss this matters offline and return with suggestions.

There being no objections, the Audit & Finance Committee received the report, *Review of Operating Budget – Actual Versus Budget Report, July 17, 2018*, for discussion and information.

Carried Unanimously

Action Item	Person Responsible	Timeline
Discuss Actual Versus Budget Report offline and return with suggestions	Ms. Klause, Mr. Rodych, and Ms. Giles	Next A&F Meeting

VII. Controller's Report for the Month Ended June 30, 2018

Revenues are exceeding budget. Expenditures are lagging behind available funds but are expected to catch up by year-end.

The Committee preferred Option 2 of the Revenue, Expense and Forecasting chart formats, and suggested several improvements. The Committee suggested improvements for clarity and consistency on the Capital Spending and Funds Dashboard, and the Statement of Financial Activities.

MOVED by Mr. Macaulay, that the Audit & Finance Committee recommend 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, 2018.

Carried Unanimously

Action Item	Person Responsible	Timeline
Make improvements to chart and statements as discussed	Ms. Klause	

VIII. Review of External Auditor Appointment

MOVED by Ms. Gray, that the Audit & Finance Committee recommends that the Calgary Public Library Board approve that Deloitte be appointed as the Library's auditor for the 2018 fiscal year.

Carried Unanimously

IX. City of Calgary Audit Committee Preparation

The Committee briefly discussed the upcoming presentation to The City's Audit Committee.

Report to the
Audit & Finance Committee
Calgary Public Library Board
July 17, 2018
Quarterly Risk Update

I. ISSUE

The purpose of this report is to provide a quarterly monitoring and reporting of CPL's Major Risks as identified by the Strategic Level Risk Register. This update is for the quarter ended June 30, 2018.

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. 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.

Following additional consultation with KPMG in November 2015, the Audit and Finance Committee previewed risk documents that addressed the deficiencies of earlier reports and highlighted issues for the Board's attention. Two types of risk report are being used to ensure the Board is fully aware of risk trends and emerging risks.

An annual report presents analysis dedicated to pre- and post-mitigation for the Library's most significant risks, and presents possible emerging risk areas identified by the Library. Quarterly reports will provide an update on actual risk impact for the significant 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.

Based on discussions at the 2017 annual review the following categories are those the Board considers as presenting the highest risk to the Library achieving its strategic objectives. There were no changes proposed during the 2018 annual review.

- Relevance
- Finance
- Operations
- New Central Library
- Security

These categories now include the two measures recommended by the City Auditor's Office upon completion of a New Central Library Readiness Audit report, which was presented to The City's Audit Committee earlier this year.

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

Verbal reports will be given at the meeting. There will be discussion on the service innovation measure, which may need to be modified.

V. RISK ASSESSMENT

The Library builds risk assessment into new initiatives and ongoing services. Identification of risk allows better decision making and creates the opportunity for early risk mitigation. Some risks are easily identifiable and thus easily mitigated. However, the assessment of some risks can be very subjective. Unlike other disciplines there are few rules or measures to guide either the Library's administration or board. Ongoing monitoring and analysis of new developments will always be required.

VI. RECOMMENDATIONS

That the Audit & Finance Committee of the Calgary Public Library Board receive the June 2018 Quarterly Risk Update for discussion and information.

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

Attachments

1. Quarter 2 Risk Matrix Impact Scales

Calgary Public Library
Risk Matrix Impact Scales
June 30, 2018

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, 2018)
1 Relevance	a	Active members/capita [quarterly count]	50% 2018 Q1: 52.3% 2018 Q2: 53.2%	40%	35%	30%	25%	<ul style="list-style-type: none">Retention of inactive members project initiatedImproved communication to patrons, reminding them of all the Library has to offer
	b	Customer Satisfaction [average rating in annual survey]	4.5/5 2016 Dec: 4.8/5 2017 Dec: 4.5/5	4.25/5	4/5	3.5/5	2.5/5	
	c	Community Partner Involvement in Programs [% of in-library programs with partner involvement-quarterly count]	50% or higher	21-35%	11-20% 2018 Q1: 19% 2018 Q2: 20%	1-10%	0%	<ul style="list-style-type: none">Develop successful relationships as a means to create opportunities to partner with others (i.e., Partnership with CBE is creating opportunities to partner with SAIT and CCSDExecutive leadership energy directed to building and fostering new strategic partnerships
	d	Service Innovation - # of active projects that Service Design is working on to transform library services and ensure the Library remains relevant to our users [quarterly count]	35-50 2018 Q2: 48		51-65 or 20-34 2018 Q1: 54		over 65 or under 20	<ul style="list-style-type: none">In considering the range for each area of the risk register, it is important to consider both the risk of too few projects (which means we are not utilizing our full capacity to explore and complete innovations that will both transform library services and ensure we remain relevant) and too many projects (which means we may not have the capacity to successfully complete the work and achieve the Library's standards for quality).
	e	Availability of Volunteers [% of need filled] [quarterly count]	100% or more	80% to 99% 2018 Q1: 97.0% 2018 Q2: 98.0%	60% to 79%	50% to 59%	Less than 50%	<ul style="list-style-type: none">
2 Finance	a	Fraud [quarterly report]	No instance of fraud 2018 Q1: No instances to date 2018 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	<ul style="list-style-type: none">Adherence to policies / procedureWell document procedures, including:<ul style="list-style-type: none">Segregation of dutiesPurchasing controlsApprovals by supervisor (one up)External auditors

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, 2018)
	b	Budgeted Operating Funding [annual board approval]	Equal to prior year's funding 2017: Increase of \$2,748,000 2018: Increase of \$4,719,000	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	<ul style="list-style-type: none"> 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 2017: Capital spending continues to adhere to the Asset Management Plan with minor timing differences 2018: 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	<ul style="list-style-type: none"> Monthly oversight by the Library's Senior Management Team Quarterly oversight by the Library's Audit & Finance Committee
	d	Forecast Operating Expenditures exceed known sources of funding (including unrestricted reserves) by [quarterly report]	0% or projected surplus 2018 Q1: Operating forecast at the end of quarter 1 is \$21,000. Forecast expenditures do not exceed known sources of funding 2018 Q2: Operating forecast at the end of quarter 2 is \$4,000. Forecast expenditures do not exceed known sources of funding.	2% or less	3% or less	5% or less	More than 5%	<ul style="list-style-type: none"> New forecast measure used starting Quarter 1, 2018 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
	e	Capital expenditures exceed budgeted revenues/reserves by [quarterly report]	0% 2018 Q1: Capital expenditures less than sources of funding 2018 Q2: Capital expenditures less than sources of funding	5%	10%	20%	50%	<ul style="list-style-type: none"> 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
3 Operations	a	Building visits [quarterly report of year-over-year change]	Less than 5% decrease 2017 Q2: Increase of 2% over Q2 2016 2018 Q2: No change from 2017 Q2	6-10% decrease	11-20% decrease	21-50% decrease	Over 50% decrease	<ul style="list-style-type: none">
	b	Website and catalogue sessions combined [quarterly report of year-over-year change]	Less than 5% decrease 2017 Q2: Increase of 5% over Q2 2016 2018 Q2: Decrease of 3% over 2017 Q2	6-10% decrease	11-20% decrease	21-50% decrease	Over 50% decrease	
	c	Facility availability [quarterly count]	All facilities open during all regular open hours in period 2018 Q1: 0 instances of closures of one day or less	Any closure for up to 1 open day in one or more locations 2018 Q2: 3 instances of closures of one day or less	Any closure for up to 1 week in one or more locations	Any closure in one or more locations lasting more than one week	Any closure in one or more locations, with the result that strategic deliverables are no longer achievable	

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, 2018)
	d	Relationships with partners in joint facilities [quarterly report]	Operating Styles of Partners diminish the synergies of co-location 2018 Q1: No instances 2018 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"> Joint Operating Committees are in place at multi-use sites to prevent issues from escalating Regular meetings initiated between Project Engineer at Calgary Transit (Nicholls Family Library), and the Library's Service Delivery Manager. Requesting two weeks advance notice from partners for planned closures of the facility.
	e	Collection meeting community needs [physical collection - turnover rate/year]	Turnover rate of 8 to 10 2016: 8.7 2017: 8.5	Turnover rate of 6 to 8	Turnover rate of 4 to 6	Turnover rate of 2 to 4 or 11-13	Turnover rate of less than 2 or greater than 14 (lower than 2 means collections are on the shelf 46 weeks per year/ higher than 14 means the shelves means the shelves are bare – collection is checked out 42 weeks of the year)	<ul style="list-style-type: none"> Collection purchases are made in response to member preferences, monitoring use of existing collection, and in response to market place trends
	f	Staff engagement level [Overall score on annual survey]	More than 80%	Less than 80% 2016 May: 75% 2017 October: 78%	Less than 70%	Less than 60%	Less than 50%	<ul style="list-style-type: none"> Online and paper-based communication tools are used to distribute information, in addition to frequent face-to-face meetings Sampling of the workforce takes place at regular intervals and issues raised are dealt with at that time. An online suggestion system allows staff to suggest change whenever it occurs to them
4 New Central Library	a	Construction & Commission [Reputational risk is present for the Library if the project is delayed or over budget. This measure is taken based on the CMLC Risk Register presented at NCL Steering Committee Meetings]	Minor delay in thresholds and/or project on budget 2018 Q1: No emerging issues 2018 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	<ul style="list-style-type: none"> The Library is an active participant in monthly steering committee meetings where construction & commissioning progress is discussed
	b	Operational Readiness [% of task on the NCL Project Transition Plan overdue]	0-10% 2018 Q1: 0.4% 2018 Q2: 0.77%	Greater than 10 – 20%	Greater than 20 – 40%	Greater than 40 – 60%	Greater than 60 – 100%	<ul style="list-style-type: none"> Move planning consultant in place Internal readiness committee initiated with representatives from CMLC and the City of Calgary Library cross-departmental transition plan has been developed, and key move-in tasks have been shared with CMLC and COC Regular meetings continuing throughout the summer months with COC and CMLC

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, 2018)
	c	Delivery of service/programs in the NCL [% of services/ programs within the Priority 1 Plan for Innovation that are being piloted or launched prior to opening of the NCL]	55-100% 2018 Q1: 63% 2018 Q2: 67%	50-54%	30-49%	20-29%	0-19%	<ul style="list-style-type: none"> NCL Plan for Innovation updated monthly Implementation Plan updated regularly Trialing innovative projects, such as the Create Lab, Campus Calgary Collaborative Work Teams Joint Service Design and Service Delivery project management teams Biweekly check-ins on project status Regular service design updates to the transition team to flag issues and ensure alignment In addition to the 67% of Priority 1 projects currently being piloted or launched, another 25% of Priority 1 projects are actively being worked on. These projects require access to NCL spaces in order to move them into the pilot / launch status, which means they will not be reflected in the overall risk register number until Q3 / Q4. The overall result is that the library is currently in a position to deliver on approximately 92% of the projects listed as Priority 1 in the NCL Plan for Innovation.
5 Security	a	Incidents at Community Libraries [quarterly count of number of instances per 10,000 visits]	0 - 0.5 incidents / 10,000 visits	0.51-1.5 incidents/10,000 visits 2017 Q1: 0.98 2017 Q2: 0.52 2017 Q3: 0.59 2017 Q4: 0.63 2018 Q1: 0.77 2018 Q2: 0.79	1.51-4 incidents/10,000 visits	Greater than 4.01 incidents/10,000 visits	Incidents are of such a nature and number that strategic deliverables are no longer achievable	<ul style="list-style-type: none"> Focused staff training on <i>Safety and Security</i> and <i>Working with Vulnerable Populations</i> Revised and updated <i>Problem Situation Guide</i> and <i>Emergency Response Plan</i> New industry standard incident reporting software being implemented Stricter application of the Library's <i>Code of Conduct</i>
	b	Incidents at Central Library [quarterly count of number of instances per 10,000 visits]	0-0.5 incidents/10,000 visits	0.51-1.5 incidents/10,000 visits	1.51-4 incidents/10,000 visits 2017 Q2: 2.93 2017 Q3: 1.99 2017 Q4: 3.23 2018 Q1: 3.14 2018 Q2: 2.30	Greater than 4.01 incidents/10,000 visits 2017 Q1: 6.20	Incidents are of such a nature and number that strategic deliverables are no longer achievable	<ul style="list-style-type: none"> Employment of a City of Calgary Security Advisor, whose sole focus is the Library system Developing closer relationships with Calgary Police Service and other law enforcement agencies Extensive work implementing Crime Prevention through Environmental Design elements, many of which were recommended by CPS Improvements to performance of security contractor, including more effective

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, 2018)
								<div>deployment of guards in multiple locations</div> <ul style="list-style-type: none">Concentrated efforts to bring new and diverse demographics to Central Library through extensive programming and community eventsNaloxone training complete and intranasal doses are available to security personnelSafety and security professional learning sessions delivered for staffSafety and security and active assailant procedures added to emergency response plan, presented to managers, and now being rolled out to staff meetings across the systemChange in security provider to G4SIncrease in security at Nicholls after retail vendor closureCoordinated approach to security around Shawnessy with CPS, shared facility partners, etc.Met with the new Community Resource Officer (CRO) for Centre City

Report to the
Calgary Public Library Board
Audit & Finance Committee
July 17, 2018
Controller's Report for the month ended June 30, 2018

The unaudited financial statements for The Calgary Public Library Board for the month ended June 30, 2018 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 Operating Funds Dashboard – we are providing three options to this dashboard to gauge the preference of the committee on how the forecast information is reported
- Capital Spending and Funds Dashboard
- Statement of Financial Position
- Statement of Financial Activities - Operating Fund (with comparison to budget and forecast to year end)
- 2018 Capital Spending Profile Report – Second Quarter

The quarter ended with a small favourable budget variance. Explanations of the revenue and expenditure areas that made up that variance will be summarized in sections C and D and in the Statement of Financial Activities - Operating Fund.

B. Statement of Financial Position

Working capital is favourable. Although the Province has not transferred the funding for the 2018 fiscal per capita grant as early as they normally do, there have been no cash flow problems.

C. Revenues

Revenues are \$465,633 favourable at the end of the second quarter.

Line 4 – City of Calgary - \$33,431F at June 30, 2018 and \$4,691F at March 31, 2018

The City revenue is favorable due to various small insurance claims.

Line 12 – Fines - \$22,139U at June 30, 2018 and \$20,166U at March 31, 2018

Fines revenue remains slightly unfavorable for the second quarter. Fines have been decreasing yearly and the trend is expected to continue. The decrease is reflected in the forecast section of the Statement of Financial Activities – Operating Fund in the second quarter.

Line 17 – Investment and other revenue - \$28,514F at June 30, 2018 and \$21,763F at March 31, 2018

The favorable variance is mainly due to higher Investment income and increased union staff salary recoveries. Interest rates are 0.35% higher than the same period last year. The increase in the investment income is reflected in the forecast.

Line 20 – Grants and sponsorships - \$430,722F at June 30, 2018 and \$38,181F at March 31, 2018

Grants and sponsorships is favorable due to additional restricted funds from the Foundation exceeding the original budget. The matching expenses are reflected in the various operating expense categories.

D. Expenditures

Expenditures are \$269,227 favorable for the second quarter end.

Line 27 – Salaries and employee benefits - \$202,404F at June 30, 2018 and \$81,589F at March 31, 2018

There is a small favorable variance primarily due to vacant positions that have not been filled as at the end of the second quarter and related savings from the employee benefits expenses. Part of this variance is due to unfilled cleaning staff positions which are funding the over expenditure in contracted cleaning expenses.

Line 30 – Collections - \$286,411U at June 30, 2018 and \$184,479U at March 31, 2018.

At this point in the year this variance is due to timing differences caused by early spending on the additional collection purchases for Seton and the new Central Library. The variance is not projected to continue through the balance of the year.

Line 46 – General operating - \$398,124F at June 30, 2018 and \$90,762F at March 31, 2018.

The favorable variance results from timing differences, and from additional grant funding. Additional expenses matching the additional restricted funds from the Foundation are reflected in the Statement of Financial Activities – Operating Fund Forecast.

Line 52 – Building and Equipment - \$41,218U at June 30, 2018 and \$21,750U at March 31, 2018.

The unfavorable forecast includes increased contract cleaning expenses. Savings from Facilities cleaning vacancies will offset the unfavorable variances.

E. RECOMMENDATION

That the Audit & Finance Committee recommend 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, 2018.

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

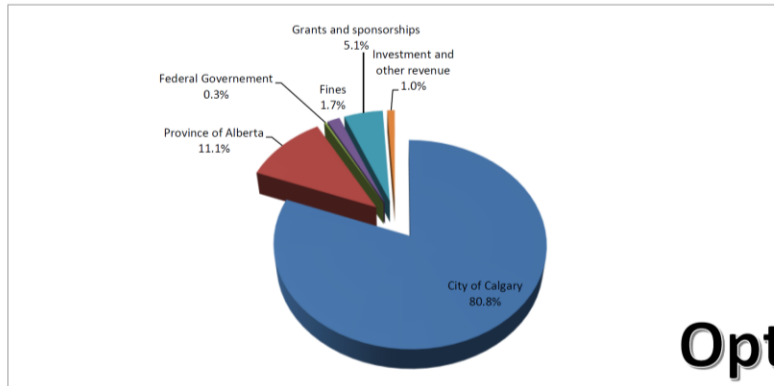
**Calgary Public Library Board
For the Period Ended June 30, 2018**

June 2018 Key Financial Indicators

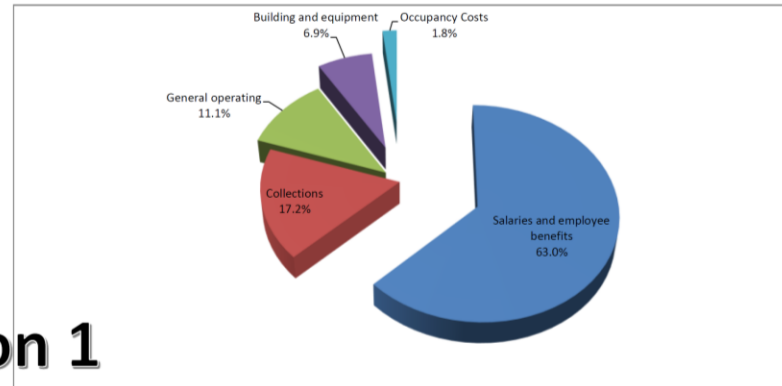
Financial Snapshot				
	Budget YTD	Actual YTD	Variance YTD	Forecast
Operating Revenue	30,498,516	30,964,149	465,633	63,416,965
Operating Expenditures	29,848,039	29,578,812	269,227	63,284,863
Excess / Deficit Operating Fund (Before loans repaid and contribution to reserves and Other contributions)	650,477	1,385,338	734,861	132,101
Unrestricted Accumulated Surplus	386,230	386,230	-	386,230
Contribution to Capital Funds	-	-	-	(225,000)
Transfer Between Funds	-	-	-	(289,000)
Closing Operating Fund Balance	1,036,707	1,771,568		4,331
Capital Funds Balance		1,528,156		

Financial Dashboard

Revenues % by Category (Actual at the end of June 2018)

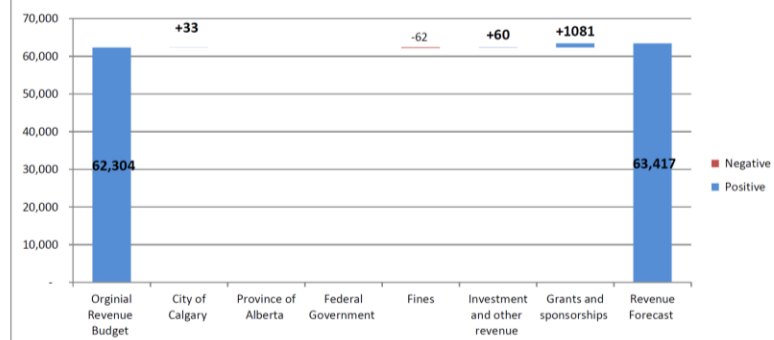


Expenses % by Category (Actual at the end of June 2018)

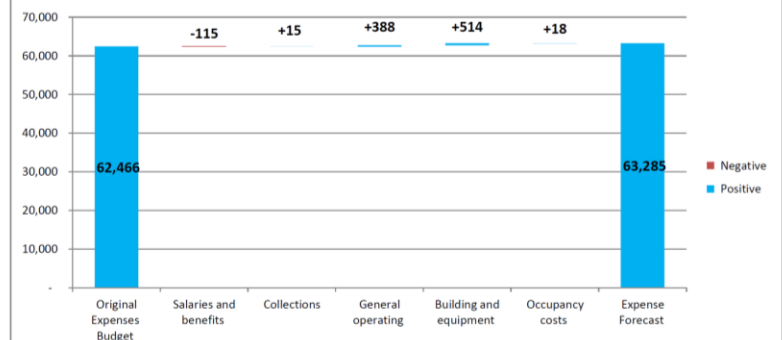


Option 1

Revenue Forecast ('000)



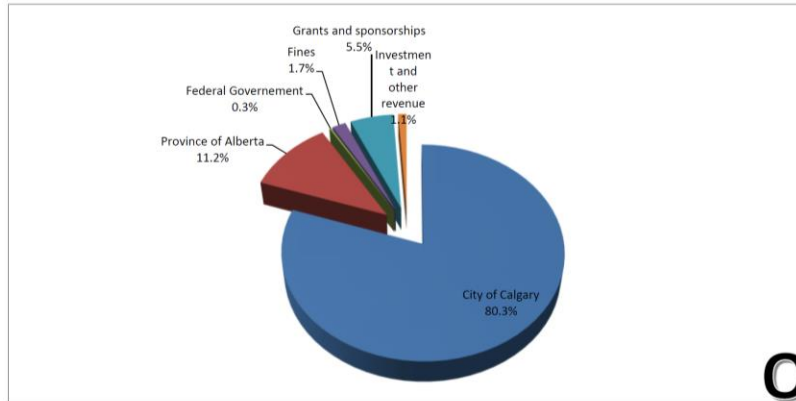
Expense Forecast ('000)



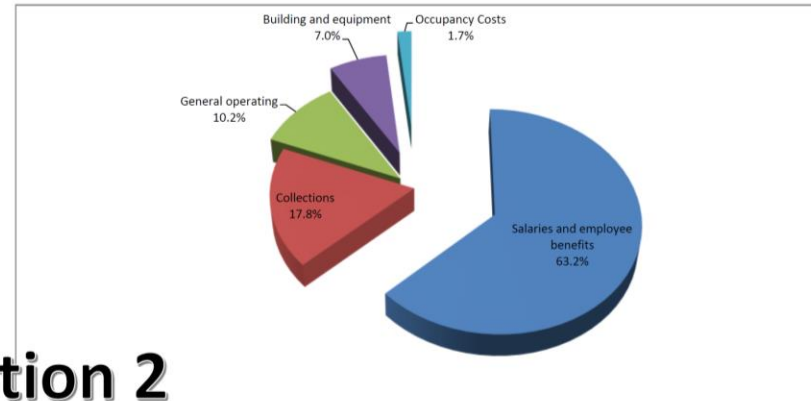
Updated for the month ended June 2018

Financial Dashboard

Revenues % by Category (Actual at the end of June 2018)

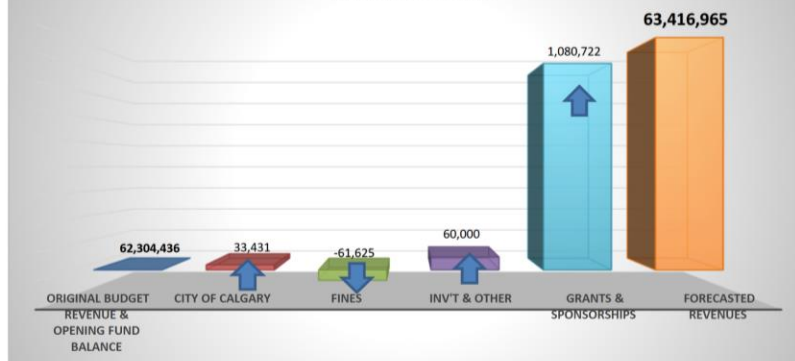


Expenses % by Category (Actual at the end of June 2018)

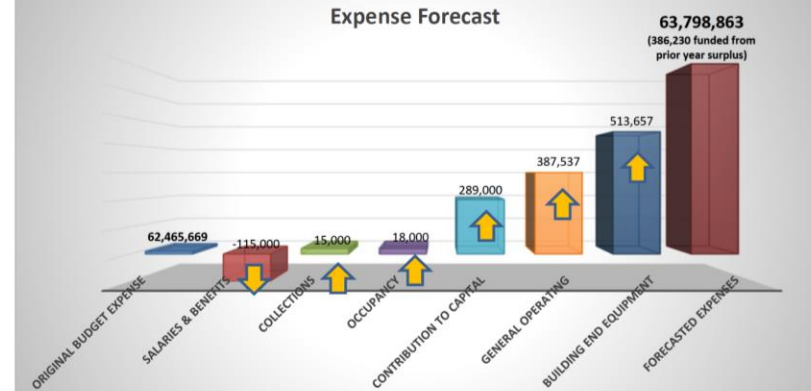


Option 2

Revenue Forecast



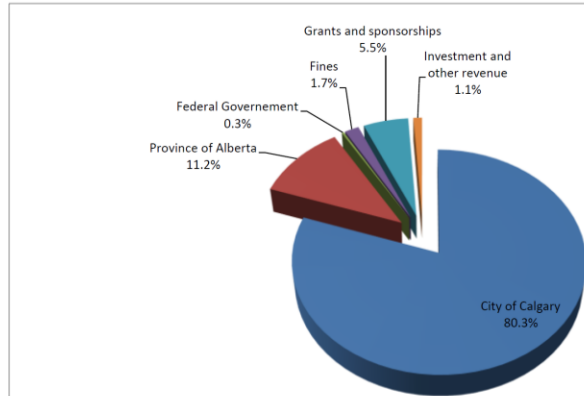
Expense Forecast



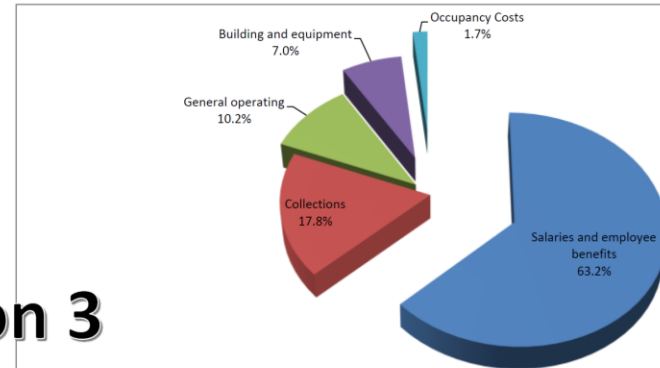
Updated for the month ended June 2018

Financial Dashboard

Revenues % by Category (Actual at the end of June 2018)

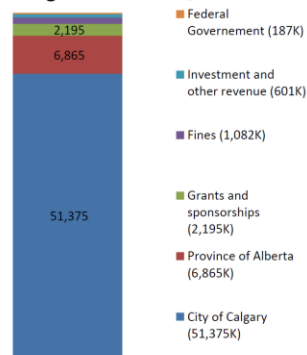


Expenses % by Category (Actual at the end of June 2018)

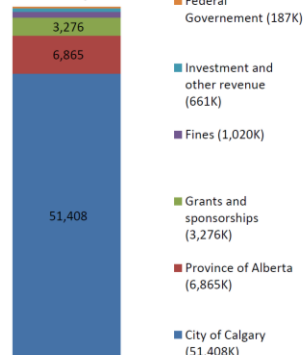


Option 3

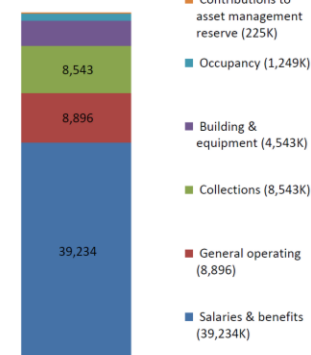
Initial Operating Revenue & Opening fund balance \$62.3M



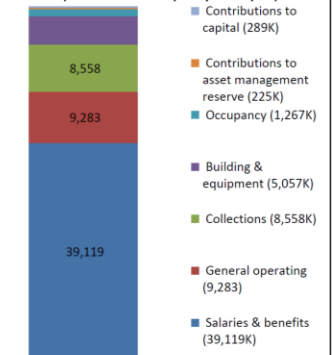
Forecasted Operating Revenue \$63.4M



Initial Operating Expense \$62.5M



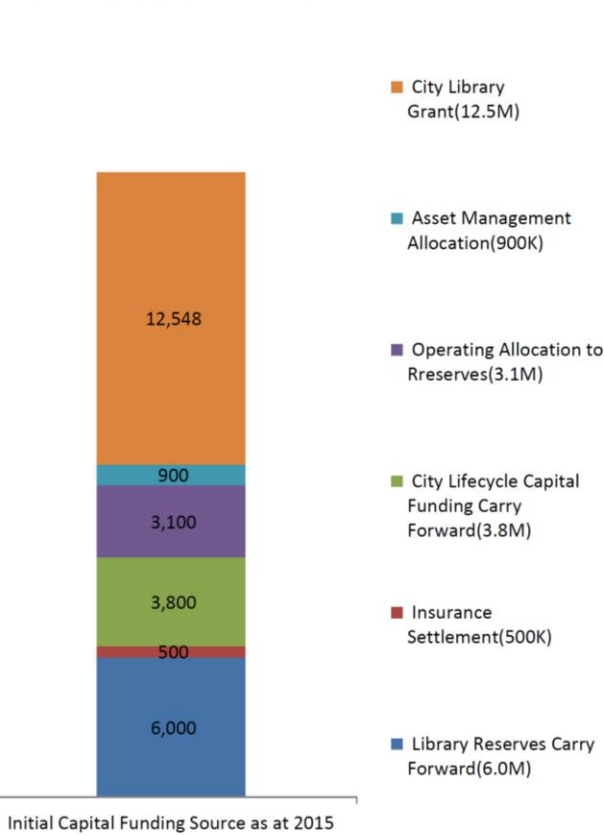
Forecasted Operating Expense \$63.8M (386K funded from prior year surplus)



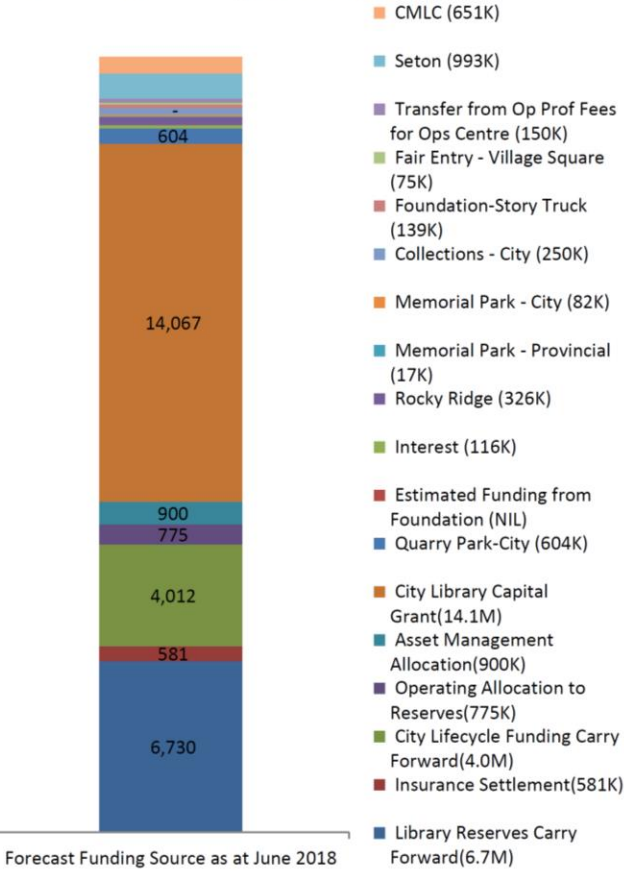
Updated for the month ended June 2018

Capital Spending and Funds Dashboard

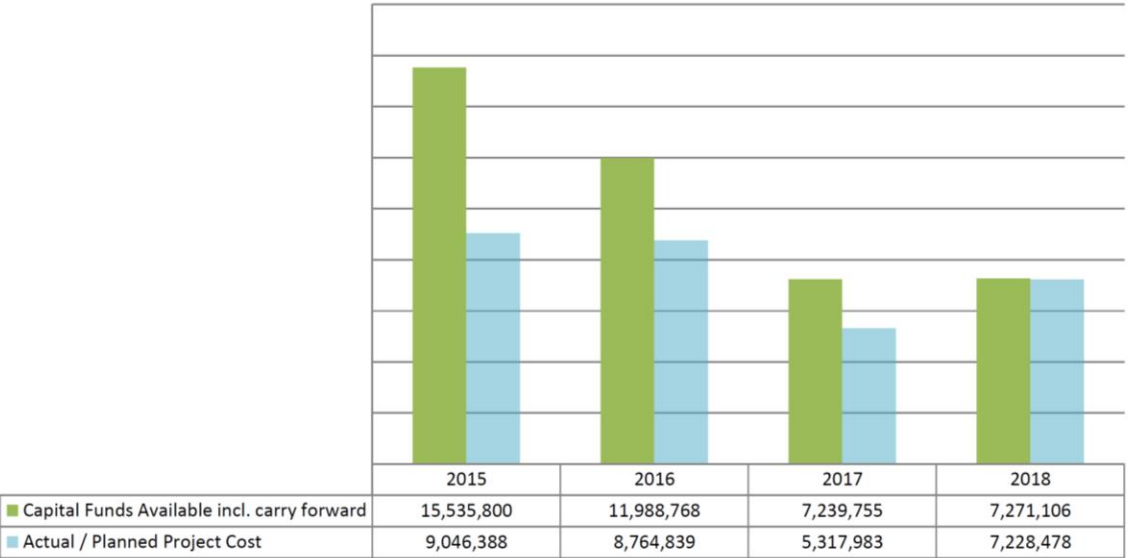
Initial Funding Source \$26.8M



Forecast Funding Source \$30.5M

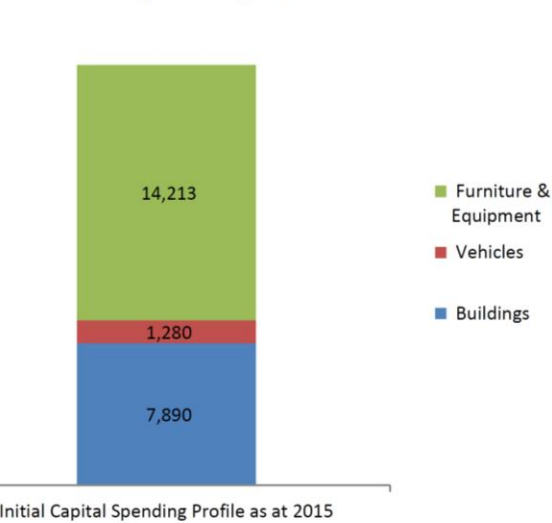


Capital Funds Available June 2018

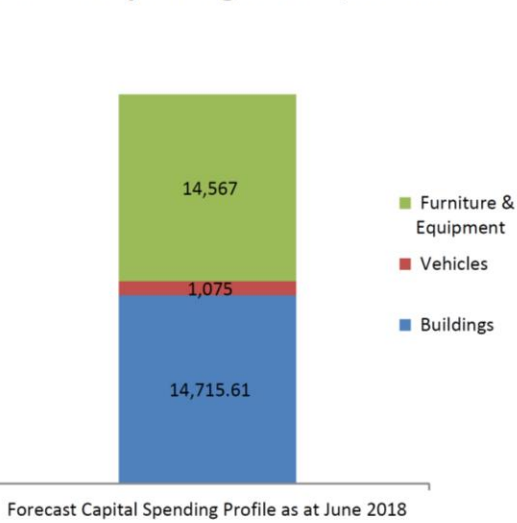


	2015	2016	2017	2018
Forecasted Funds Remaining	6,489,413	3,223,930	1,921,772	42,628

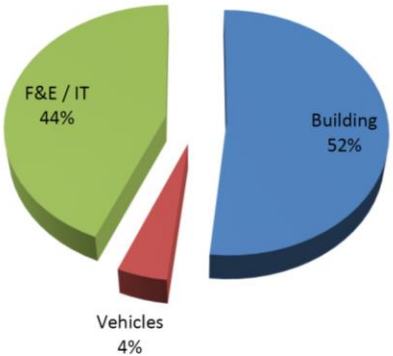
Initial Spending Profile \$23.4M



Forecast Spending Profile \$30.4M



Capital Categories Per 2018 Project Plan



2018 Capital Status



THE CALGARY PUBLIC LIBRARY BOARD
Statement of Financial Position
As at June 30, 2018

	2018 TOTAL \$	2017 TOTAL \$
FINANCIAL ASSETS		
Cash and Cash Equivalents	1,337,622	6,805,858
Accounts receivable	4,032,645	429,879
Prepaid expenses	1,470,042	2,022,016
Interfund balances	-	-
	6,840,309	9,257,753
PHYSICAL ASSETS		
Capital assets	64,826,847	63,246,442
Inventory	25,263	32,216
	64,852,109	63,278,657
	71,692,418	72,536,410
LIABILITIES		
Accounts payable and accrued liabilities	3,565,849	7,627,831
LIBRARY POSITION		
Equity in capital assets	64,826,846	63,246,441
Fund balances	3,299,723	1,662,137
	71,692,418	72,536,410
Working Capital	3,274,460	1,629,921

THE CALGARY PUBLIC LIBRARY BOARD
Statement of Financial Activities - Operating Fund
For the Period Ended June 30, 2018

	Current YTD \$	Budget YTD \$	Budget Variance YTD \$	Total BUDGET \$	Total Forecast \$	Increase/ (Decrease) \$	Comments (Favorable: F / Unfavorable: U)
REVENUES							
4 City of Calgary	25,033,291	24,999,860	33,431	51,374,720	51,408,151	33,431	F - City insurance claims
8 Province of Alberta	3,427,600	3,427,599	0	6,864,917	6,864,917	0	
9 Federal Government	88,779	93,674	(4,895)	187,062	187,062	-	
12 Fines	518,674	540,812	(22,139)	1,081,625	1,020,000	(61,625)	U - Decreasing trend of fines
17 Investment and other revenue	304,359	275,845	28,514	601,287	661,287	60,000	F - Higher interest rate; Increased salary recovery from CUPE
20 Grants and sponsorships						-	
Grants and sponsorships - restricted	1,358,010	927,288	430,722	1,616,464	2,697,186	1,080,722	F - Increased restricted grants from the Foundation
Grants and sponsorships - unrestricted	233,437	233,437	-	578,361	578,361	-	
	1,591,447	1,160,725	430,722	2,194,825	3,275,547	1,080,722	
21 Total revenues	30,964,149	30,498,516	465,633	62,304,436	63,416,965	1,112,528	F
EXPENDITURES							
27 Salaries and employee benefits	18,614,114	18,816,518	202,404	39,234,459	39,119,459	(115,000)	F - 170K Savings from cleaning staff and pension; 55K increased spending from restricted grants
30 Collections	5,069,769	4,783,358	(286,411)	8,543,442	8,558,442	15,000	U - Increased restricted grants from the Foundation; Planned accelerated expenditures for new libraries
46 General operating	3,312,069	3,710,193	398,124	8,895,706	9,283,245	387,538	U - Increased restricted grants from the Foundation; vehicle repair; Increased photocopier usage
52 Building and equipment	2,049,796	2,008,578	(41,218)	4,543,279	5,056,937	513,657	U - Increased contract cleaners, not including Operation Centre; Increased restricted grants from the Foundation
65 Occupancy Costs	533,064	529,391	(3,673)	1,248,782	1,266,782	18,000	U - Higher Rocky Ridge occupancy costs
66 Total expenditures	29,578,812	29,848,039	269,227	62,465,669	63,284,863	819,195	U
REVENUES IN EXCESS OF (LESS THAN) EXPENDITURES BEFORE THE FOLLOWING:							
Operating reserve for new libraries	1,385,338	650,477	734,861	(161,231)	132,101	293,333	
Contributions from capital reserve to operating	-	-	-	-	-	-	
Contributions to asset management reserve	-	-	-	(225,000)	(225,000)	-	
CHANGE IN FUND BALANCES AND CAPITAL RESERVES	1,385,338	650,477	734,861	(386,230)	(92,899)	293,332	
OPENING FUND BALANCE	386,230	386,230		386,230	386,230	-	
Transfer Between Funds				-	(289,000)	(289,000)	U - 139K Story Truck TCA; 150K Transfer from Op professional fees to Capital for Ops Centre project
ALLOCATION OF PRIOR YEAR SURPLUS	-			-	-	-	
CLOSING FUND BALANCES	1,771,568	1,036,707		(0)	4,331		

Capital Expenditure Forecast							30-Jun-18
Asset Class	Program Name	Program Detail	2018 Planned Expenditures	Forecast	Executed YTD	Committed	2018 Total Planned Expenditures Year to Date
Buildings Sub-Total			2,776,904	3,159,600	457,042	1,646,370	2,103,412
Vehicles Sub-Total			245,770	245,770	-	245,469	245,469
Furniture & Equipment Sub-Total			2,338,872	3,823,108	684,977	1,824,933	2,509,910
Furniture & Equipment Only			930,625	1,484,949	180,007	675,810	855,817
IT Only			1,408,248	2,338,159	504,970	1,149,123	1,654,093
Grand Total Planned Expenditures			5,361,546	7,228,478	1,142,020	3,716,772	4,858,792

Cash Required	Carry Forward from prior year					
	Assumed Completion Rate	1.00	1.00			
	Cash Required	5,361,546	7,228,478			
	Projects to Carry Forward to next year	-	-			
	Opening Balance Capital Reserve	1,880,625	1,880,625	1,880,625		
Cash Available	Carry Forward Library Reserves					
	Insurance Settlement	-	-			
	Previous Carry Forward Lifecycle Funding	786,311	786,311	674,144		
	Allocation from Operating	-	150,000	132,946		
	Asset Management Allocation	225,000	225,000			
	Lifecycle Funding	2,237,000	2,237,000			
	Quarry Park City Funding					
	Rocky Ridge City Funding	18,189	152,943	107,339		
	Seton City Funding	142,037	993,498			
	NCL Equipment City Funding- CMLC	70,000	650,754	149,840		
	Memorial Park Funding - Provincial Grant	-	-			
	Memorial Park Funding - City Lifecycle Fundin	218,975	218,975	60,908		
	City Funding - To fund Collections	(250,000)	(250,000)	(250,000)		
	Interest earned & forecasted	12,000	12,000	8,685		
	Unconfirmed funding for Memorial exterior from the Foundation					
	Story Truck Funding from Foundation	124,000	139,000			
	Fair entry recovery - Village Square	75,000	75,000			
	Total Funds Available	5,539,137	7,271,106	2,764,487		
	Surplus of Cash Available over Required	177,591	42,628			

Report to the
Calgary Public Library Board
Strategy and Community Committee Meeting
September 4, 2018
(based on draft unapproved minutes)

In Attendance:

Board

Mr. Rob Macaulay
Mr. Andrew Rodych
Ms. Shereen Samuels

Regrets:

Ms. Janet Hutchinson

Administration

Mr. Paul Lane, Director, Corporate Services
Ms. Sarah Meilleur, Director, Service Delivery,
New Central Library and City Centre Community Libraries
Ms. Jackie Flowers, Director, Service Design
Ms. Barb Gillard, Business Analyst
Ms. Teneya Gwin, Indigenous Service Design Lead
Ms. Elrose Klause, Manager, Financial Services

I. Meeting Opening

We acknowledge the traditional territories and oral practices of the Blackfoot people, the Nakoda people of the Stoney Nation, the Beaver people of the Tsuut'ina Nation, and the Métis Nation of Alberta, Region Three. This Library is one of 20 libraries across our city built on this traditional land.

II. Review of Agenda

MOVED by Mr. Rodych that the Agenda be approved with no changes.

Carried Unanimously

III. Approval of Minutes

MOVED by Ms. Samuels, that the Minutes of the June 5, 2018 meeting be approved with no changes.

Carried Unanimously

IV. Business Arising and Review of Action Items

There was no business arising.

V. Strategic Scorecard Q2 Update

Mr. Paul Lane, Director, Corporate Services

Mr. Lane noted that the current scorecard is consistent with the patterns that have been seen previously. Committee discussion centred on the interplay between the various categories. It was noted that circulation numbers continue to drop as a result of continuing decreases in DVD circulation. Additionally, when the targets were created, it was assumed that the Sage Hill Library would now be open. However, it is expected that the “on track” rating will be maintained with the surge of visits anticipated with the opening of the New Central Library. Patron satisfaction remains high and complaints, typically about parking and collections, do not seem to affect this rating.

Action items arising	Person Responsible	Deadline
Bring forward scorecard to September Board agenda during S&C report	Mr. Macaulay	

VI. Outcomes Development for the New Strategic Plan

Mr. Paul Lane, Director, Corporate Services

The City of Calgary’s accountability framework, which will be the basis for the new outcomes scorecard, asks three questions – How much are you doing? How well are you doing it? What is the impact? Mr. Lane would add another category – quality of life - and anticipates that each of the categories would have five measures attached to it.

Measures answering the question How much are you doing? would have quarterly targets. Those answering the question How well are you doing it? would be reported semi annually. The impact score would measure how the Library has contributed to a patron change in behaviour, attitude or acquiring a skill and will ascertain the extent to which our goals are being completed. Those are the things for which the Library is directly accountable and would be reported annually using research from the Vital Signs citizen dashboard. He noted that if, across a range of measures, citizens report a declining quality of life, the Library should look at its role and how it can react to improve things. Qualitative reports on the six priority areas would also be provided on a regular basis. A draft scorecard will be available for the October 2nd Committee meeting.

The Committee noted the importance of these reports in keeping them apprised of the situation at a macro level and in providing guidance to the Library.

Action items arising	Person Responsible	Deadline
Draft of new Scorecard	Mr. Lane	October 2
Add Scorecard wrap-up report to workplan	Admin	October 2 to be presented in January 2019

VII. Working with Indigenous Communities
Ms. Teneya Gwin, Indigenous Services Design Lead

Ms. Gwin reported the following items:

- Two new employees have been hired to work on the Indigenous art project.
- Meetings have been held with the Stoney Nakoda and Siksika communities. More meetings are planned for September.
- Elder guidance is continuing and Ms. Gwin is expanding the network of elders.
- Indigenous programming is growing and staff interest is particularly high. There will be significant programs during the first week of opening of the New Central Library including land acknowledgement and artists available to talk about their work. It will continue afterwards with drum-making workshops, Canadian history from the Blackfoot perspective, and Indigenous Storytimes.
- Indigenous engagement now includes all Treaty 7 nations with the exception of the Pikani and Kanai who are quite a distance to the south.

Ms. Samuels inquired as to how measurements were being collected as this is often a difficult subject between Indigenous and settler peoples. Ms. Gwin noted that most institutions are struggling with this now and that people are sharing their knowledge and experiences.

VIII. New Central Library Operational Readiness
Ms. Sarah Meilleur, Director, Service Delivery

With only 58 days till opening and the Key Exchange scheduled for September 14, staff training and readiness has become the focus. Other items of note included:

- Golden Ticket promotion begins today, giving lucky patrons a sneak peak on October 27.
- NCL Champion training will start soon. There are plans to send them to community organizations such as condo boards and retired teachers groups along with public presentations in all libraries.
- Building staff are currently being trained on the new systems. Their training has been filmed so onboarding staff can use that for training.
- Security system, fire alarm and air balancing tests are complete and all major systems are on track.
- IT systems are fully connected and computers are working.
- Security staff are touring the building and training.
- All new staff for the Central Library have been hired.
- Campus Calgary teachers are booked and have looked at their classroom.
- Artist in residence and historian in residence will be announced shortly
- The Operations Centre is fully functional and allowed for testing of the move process.
- Decommissioning of the current art collection at Central is complete.
- The café will be ready for opening day.
- Lease signing is scheduled for September 14

A master calendar of events will be sent to the Board today and regular updates will be issued. Ms. Meilleur advised the Committee that quarterly reviews of what is working and what is not will

take place for the first year. The intention is to be responsive, not reactive. The transition group will capture learnings from the process.

Plans for the current central library are still undecided but are moving forward.

IX. Other Business

There was no other business.

X. Workplan

Action items arising	Person Responsible	Deadline
Mr. Macaulay to ask for suggestions for the 2019 Retreat: timing, theme, location	Mr. Macaulay	At September Board meeting – Sept. 26
Add Strategic scorecard Q3 Review to workplan for November	Admin	October 2

XI. Adjournment

MOVED by Ms. Samuels, that the meeting be adjourned at 9: 38 am.

Report to the
Calgary Public Library Board
Governance Committee Meeting
September 12, 2018
(based on draft unapproved minutes)

In Attendance:

Board

Ms. Shereen Samuels
Ms. Janet Hutchinson
Mr. Avnish Mehta

Administration

Mr. Bill Ptacek, CEO
Mr. Mark Asberg, Director, Service Delivery

Attending Remotely:

Regrets:

Ms. Debra Giles

I. Treaty 7 Opening

Ms. Samuels respectfully acknowledged that the Committee is meeting today at a place called Moh'kinsstis, a Blackfoot word that means elbow. The word describes the landscape of what is now known as Calgary, an area where the Elbow River meets the Bow River.

It is in the spirit of respect and truth that we honour and acknowledge Moh'kinsstis, and recognize the traditional territories and oral practices of the Blackfoot people, the Nakoda people of the Stoney Nation, the Beaver people of the Tsuut'ina Nation, and the Métis Nation of Alberta, Region Three. This Library is one of 20 libraries across our city built on this traditional land. Finally, we acknowledge all people who make their homes in the Treaty 7 territory of Southern Alberta.

II. Review of Agenda

MOVED by Mr. Mehta that the Agenda be approved as presented.

Carried Unanimously

III. Approval of Minutes

MOVED by Mr. Mehta, that the minutes of the June 13, 2018 Governance Committee meeting be approved as written.

Carried Unanimously

IV. Business Arising from Minutes

There was no business arising

V. Planning the November 2018 Organizational Meeting

The Committee agreed on the following points:

- Expressions of interest in the Board Chair and Vice-Chair positions should be sent to Mr. Asberg prior to the Governance Committee meeting to be held on October 10. These would be considered formal nominations.
- At the September Board meeting, Committee Chairs will describe the position and outline the time commitment involved.
- The Board will evaluate this new process at the end of the Organizational meeting.
- At the September Board meeting, Ms. Samuels will lead a discussion about Board interests for development in the coming year.
- The creation and definition of a Past Chair role will be discussed by next year's committee.

The Committee will recommend to the Board that the Organizational Meeting be held on November 14th.

Action Item	Person Responsible	Timeline
Expressions of interest for officers and committee call out.	Ms. Samuels	September board meeting. Ask for them to be sent to Mr. Asberg (Admin Liaison to Governance Committee) by Tuesday October 9 (day before GovComm meeting)
Ms. Samuels to let Mr. Macaulay and Ms. Giles know that they will be asked to speak about Committee chair position.	Ms. Samuels	Prior to Board meeting
Debrief about process		End of Org meeting
Update of Organizational Meeting process added to next year's workplan	Admin	After debrief at Org Meeting
Board Member development interests to be added to Board agenda	Admin	Immediately
Add "create definition of Past Chair role" to next year's workplan	Admin	Immediately

VI. Updates from the Recruitment Process

57 applications were received. The sub-committee was very pleased overall with the recruiter's work, however there continues to be few younger or Indigenous applicants and few outside of the inner city. The Committee will suggest to the Board that next spring, Board members proactively seek out communities where recruitment is desired and conduct meet and greet sessions. The resumes of the four short-listed candidates and the two returning members will go forward first to the Board for approval and then to Council for its decision. Ms. Hutchinson would like a strong Board-level discussion and will report on recruitment at the September Board meeting.

Action Item	Person Responsible	Timeline
Resumes to be sent separately, but on same date as Board meeting package	Admin	September 21
Ms. Samuels and Mr. Mehta to provide updated resumes to Ms. Roberts	Ms. Samuels and Mr. Mehta	September 20

VII. Strategic Alignment Review of Bylaws and Policies

The Committee will recommend that this item move to next year's workplan. It was agreed that the code of conduct, naming, special needs and fees should be reviewed. The Committee members will review the documents prior to the October meeting and bring a list of suggestions of sections for review including the reason why that section should be reviewed.

VIII. Committee Workplan – as of June 14, 2018

Board composition Item 1 Remove from workplan
Add Create definition of Past Chair role

Board relations Item 5 Complete
Item 6 Complete
This section is complete

Board recruitment Item 1 Complete
Item 2 Investigated - Not feasible at this time
This section is complete

CEO Annual Review Item 1 Complete
Item 2 Complete
Item 3 To be completed in January 2019

Board Self-Evaluation This section is completed

Bylaws, Policies, Process Item 1 To be reviewed in October, List of suggestions to be reviewed by next year's Committee
Item 2 Link to Organizational Meeting
Item 3 Complete
Item 4 Succession planning document received by Board Chair and will be passed to Mr. Lane in his capacity as Director with responsibility for Human Resources.

Issues at Request of Committee Complete

Next Year's Workplan Much of this year's workplan can be recycled for use next year.

IX. Other Business

There was no other business.

X. Adjournment

MOVED by Ms. Hutchinson, that the meeting be adjourned at 6:35 pm.

**Calgary Public Library Foundation
Board And
Calgary Public Library Board**

**SPECIAL MEETING
NOTES**

August 29, 2018
Officer's Mess, Fort
Calgary
4:00pm - 6:00pm

In attendance:

Calgary Public Library Foundation Board and Staff:

Patricia Moore, Brenda Nicholls, Marshall Abbott, Brian Gervais, Janet Hutchinson, Carl Landry, Barry McNamara, Avnish Mehta, Judith Umbach, Ellen Humphrey

Calgary Public Library Board:

Janet Hutchinson, Debra Giles, Judy Gray, Robert Macaulay, Avnish Mehta, Andrew Rodych, Shereen Samuels

Facilitators:

Lachlin McKinnon and Julianne McKinnon, Prospector Executive Search & Consulting

Regrets:

Calgary Public Library Foundation Board:

Bill Ptacek, Anthony Giuffre

Calgary Public Library Board:

Councillor Druh Farrell, Councillor Evan Woolley

Welcome: Introductions and Goals for the Meeting

- Goals:
 - Acknowledge the inflection point for the Foundation post-Campaign
 - Celebrate the Campaign accomplishments
 - Set the future direction by confirming the Foundation's Key Focus Areas
 - Understand next steps

Foundation Chair's Remarks (Patricia Moore)

- This is an opportunity for our Boards to come together.
- As we near the end of the Campaign and the opening of the new Central Library, we need to consider what the Foundation will look like in the future.
- The Calgary Public Library Foundation's Add-In Campaign is now six years old and the Board has grown over that time.
- We have accomplished a lot, and much of that is more than just dollars. We received donations from many unlikely sources – from beyond corporations and the typical wealthy donor.
- We made people aware of the gem we have in the Library system.
- We helped the Library to be innovative (i.e.: Early Childhood Learning Centres).
- People who use the Library know how great it is, and understand it's more than just a book exchange.
- We have created an awareness of the Library *system* and its impact on community.
- Our work is not done. The Foundation will be a different organization in the future and the Board needs to provide direction for Ellen and her team.
- Thank you to the Treasurer and Finance Committee, who have been diligent in looking after funds.

Celebrating Achievements: Highlights of the Campaign

- In the beginning, we were told it was impossible for a public library to raise funds. We proved them wrong.
- The “unlikely” donors: the names that aren't attached to big buildings, university campuses, etc.
- We have been free to imagine. The Foundation Board facilitates a lot of innovation and audacity into the Library and so there's a feeling that the sky's the limit.
- The Foundation relationship has allowed for access to funds that the Library would not otherwise be able to access (example: Calgary Foundation). It's a beautiful demonstration of how these organizations work together.
- Leadership synergy between both Boards is magic.
- Our own leadership team led by Bill Ptacek: superb.
- This was a catalytic event – the operations of the Library, combined with the two Boards working together, not in each other's business.
- The Foundation Board changed rapidly. There's a hope that the spirit of running with new ideas continues.
- The Early Childhood Learning Centres and the partnerships with Mount Royal University have benefited so many children.
- In the toughest economy, a world-class building was built: one of the most anticipated buildings in the architectural world. Plus, it came in under budget and on time! We could have just built a box, but this was a good example of the audacity we demonstrated. It's an exciting building that everyone can access.
- The Library has achieved a much higher profile as a result of the Foundation.
- People are excited that our city is still leading with the new Central Library and expansion of the library system as a whole. It's an amazing resource to our city.
- Windows Campaign – a civic campaign that has excited people.
- Six years ago, we started the Foundation. We had a plot of land. We selected the architect who designed an extraordinary building, and Bill and Ellen worked so well with CMLC.

- Calgary Public Library is the second busiest library system in Canada and sixth busiest in North America – we deserve a beautiful building!
- Gala on November 2nd, 2018.
- Calgary will be hosting the third International Public Library Fundraising Conference in July 2019. The Foundation has suggested that a conference session be devoted to “The Unexpected Donor”.

Foundation 2.0: Beyond the Campaign

What’s next for the Foundation?

Four thematic areas to discuss:

- I. Active fundraising in support of a sustainable financial future for the Library
- II. Effective donor relations and stewardship
- III. Growth in the community relationships and friendraising
- IV. Responsible and resourceful money management

Ellen will take away the comments from the meeting and build out the strategic plan and tactics, including the resources necessary, to operationalize themes.

I. Active fundraising in support of a sustainable financial future for the Library

Fundamentals:

- The Foundation allows the Library to grow beyond the City’s financial support (base level funding comes from the City). The Foundation augments, not replaces, the City’s funding.
- The Foundation funds projects, not general operating expenses.
- The Foundation should continue to fundraise *actively* (as opposed to passively).
- The fundraising plan should support the strategic plan of the Library.
- The fundraising plan needs to be thoughtful, strategic and innovative, and has to address the needs of the community.
- There needs to be a clear story/purpose for fundraising (beyond a building): clear reason(s) to give.

Issues to consider/develop:

- Some differences of view about the meaning/utility of the word “sustainable”.
- What does it cost to run programs? This data would give the Foundation direction on how much to raise, what the ask is, and what the targets need to be.
- Establishing an endowment fund for the Foundation.
- Terminology: “active” vs. “sustainable”.

Measures of Success:

- The Foundation is active and aligned with the Library’s strategic goals.
- Foundation operates without funding from the Library. It is a separate entity (from a governance and operating perspective) but integrated with the Library on purpose and strategy.
- There is structure that defines “active fundraising”, including targets to provide something tangible to work with.
- Active fundraising is innovative and secures funds for the Library’s identified projects.

II. Effective donor relations and stewardship

Fundamentals:

- We have a really great story that we need to continue to steward and grow.
- Let donors know that they are a part of the library system (more diverse than books).
- Increase the number of donors and move those folks up the pyramid to higher levels of giving (“Moves Management”).
- Donor relations is critical to our reputation; “how” we do it should be part of our brand.
- Nurturing specific relationships – giving donors feedback about how their donation is being used and the impact their donation has made.
- Maintaining relations without always asking for donations. Demonstrate gratitude and care.
- Cultivate the relationship and ensure that we’re meeting donor expectations.
- Purpose-driven and aligned with strategy.

Issues to consider/develop:

- Profile of Library supporters. Who are our “unexpected” donors? What is their emotional and intellectual connection to our Library system?
- How do we recognize donors?
- How do we compare to other organizations in Calgary/beyond? (benchmarking; best practice).
- New donors should reflect Calgary’s evolving demographics.

Measures of Success:

- Transparency/Compliance/Best Practice (benchmarking).
- No negative headlines.
- Donors are bringing in their friends (becoming our ambassadors and marketers).
- Keeping the promises that we’ve made, and ensuring that donors make the promises to us (“futures” contracts).
- Effective donor stewardship.
- Established “brand” of donor relations with customs you can always expect from a Library donation; best practices involved but also a measurable objective.

III. Growth in the community relationships and friendraising

Fundamentals:

- There’s a need for a presence in other community foundations (i.e. Calgary Foundation), and with whom we can partner (i.e.: CBE, Parks Foundation). There are opportunities to work together for mutual benefit.
- Use community fundraising events that headline the Library to build and raise the profile of the Library in community.
- Increase outreach and sphere of influence (not just dollars).
- A sense that whatever phase you’re in or place in the city, the Library belongs to you.
- Keeping track of those who have been instrumental along the way by honouring history, stewarding friends and institutionalizing donor relations.
- Must maintain a sense of innovation.

Issues to consider/develop:

- Work with front line staff and volunteers to be ambassadors and help them understand their role in the fundraising cycle.

Measures of Success:

- Increased number of partnerships to fundraise together.
- Large events, such as the Shaw Charity Classic, that raise awareness.
- Demonstration of human-touch and integrity.

IV. Responsible and resourceful money management

Fundamentals:

- Ensuring gifts are handled and deployed in ways that meet donor expectations.
- Determine how we communicate to the community the need for a Foundation, and provide clarity about the Foundation's relationship to the Library.
- Be transparent to donors.
- Board to provide governance.
- Understand what the controls and risks are.
- Be competent: ensure the Board has professional skills to provide direction and oversight.

Issues to consider/develop:

- What does it cost us to raise a dollar? In return, what can we do with a dollar?
- Is the next step for the Library to be its own fund manager? This would come with added risks and different costs.

Measures of Success:

- Retain staff because they find their jobs interesting.
- Tight controls, clean audit.

Final Comments

Consensus Achieved:

⇒ Unanimous support for the four Key Focus Areas.

Terminology:

⇒ There is a need for a glossary of terms (i.e., "active"; "responsible", etc.). It would be help decision-making if terms were defined.

Foundation 2.0:

⇒ Define what constitutes success. There's a need to identify measures/indicators/criteria. This will motivate staff and Calgarians.

⇒ If the Library defines a strategic project, the Foundation can create a mini-campaign to support it.

⇒ Need to develop a clear "why" for future fundraising, which is going to be more challenging post-Campaign without a galvanizing project like a new building.

⇒ Continue to fund innovation.

⇒ The Calgary Public Library and the Calgary Public Library Foundation have demonstrated that they can work well together. Now, they need to determine what they are going to work on and develop criteria to measure success.

Next Steps:

⇒ Ellen will take away these Key Focus Areas and the feedback and build out a strategic plan for the Board's consideration. This will include a review of the operational requirements needed to implement the plan (budget, staff, resources, etc.).

⇒ The Board will have to review its own make-up in light of the new strategic plan, as other competencies may be required in the future.

⇒ Calgary Public Library Foundation Board meeting scheduled September 18 will be moved so that Board members can attend CMLC's celebration party. A Doodle Poll will be circulated to select a new date for the next Board meeting.

* * *

In Camera Agenda
Calgary Public Library Board
September 26, 2018

1. **Report from the Calgary Public Library Foundation's
External Relations Committee**

Separate attachment
Decision

2. **Confirmation of slate of Board candidates**

...Confidential material
distributed by email in advance
Decision