CALGARY PUBLIC LIBRARY

Board Meeting

5:30 PM, Tuesday, March 22, 2023 Online via Microsoft Teams





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TREATY 7 LAND ACKNOWLEDGEMENT

With gratitude, mutual respect, and reciprocity, we acknowledge the ancestral home, culture, and oral teachings of the Treaty 7 signatories which includes the Siksika (Six-ih-gah) Nation, Piikani (Bee-gun-knee) Nation, Kainai (Gah-nah-wah) Nation, the Îethka (Ee-ith-kah) Stoney Nakoda Nation, consisting of the Chiniki (Chi-ni-key), Bearspaw (Bears-paw), and Good Stoney Bands (Good Stoe-knee), and the people of the Tsuut'ina (Sue-tin-ah) Nation. We also recognize the Métis (May-tea) people of Alberta Region 3 who call Treaty 7 their home.

At Calgary Public Library we celebrate stories: the stories of the community and the land that we live on. We serve the community on Wîcîspa (Wing-cheese-pa), Guts'ists'I (Gootss-is-tsee), and Moh'kinstsis (Moh-gin-tss-is), which describes the gathering place where the Bow and Elbow rivers meet. We respect all people who share, celebrate, and care for the Treaty 7 territory of southern Alberta and we honour the original caretakers of the land who remind us of the ongoing histories that precede us. We recognize our shared responsibilities going forward to help bring everyone together on this journey of Truth and Reconciliation.



PRONUNCIATION GUIDE

HELLO:

Oki - Ohh-gee (Blackfoot hello)

Âba Wathtech - Um-ba-wath-stitch (Stoney Nakoda hello)

Danit'ada - Duh-nee-duh-duh (Dene hello)

Taashi – Tawn-she (Michif (Métis language) hello)

Mohkinstsiss (Moh-gin-tss-is) means where the two rivers meet / the elbow at the confluence of the Bow and Elbow Rivers. Refers to where the two rivers meet and what we refer to today as Calgary.

CEO Report March 2023

Calgary Public Library has experienced an increase in negative attention related to our long-standing Reading with Royalty program in the last year. This has included some protests outside of locations and off Library property in accordance with our Political Use of Library Space policy. We have worked closely with Calgary Pride and our security team to ensure these events can proceed. However, on February 25, individuals entered Seton Library with the intent to disrupt a Reading with Royalty event. This was not a protest but rather an organized, targeted, and intimidating program disruption in a space where small children were present. I want to commend Library staff for their response and Calgary Police for their actions and support as we navigate these unprecedented incidents. Unfortunately, we were forced to postpone a March 4 installment of this program due to safety concerns.

The Library <u>issued a statement</u> to correct misinformation in the community and affirm our support for Calgary Pride and the Reading with Royalty program.

I want to assure our Board, staff, partners, and members that we remain committed to Reading with Royalty in the face of this criticism and hurtful actions. Everyone has a right to feel respected, safe, and included within the Library and the community.

Government Relations

The Library has had several conversations with the Province and Municipal Affairs office around increasing per capita funding for libraries in the last year, noting that current funding levels are based on 2016 population data. In late February, the Library was notified that the Government of Alberta was increasing Municipal and Intermunicipal Library Board Operating Grants to reflect 2019 population figures. We expect to receive an additional \$343,982 from the Province in 2023 for a total of \$7,208,982. This increase to Calgary Public Library's annual per capita funding grant, based on 2019 population data, will help partially close the current per capita funding gap. Calgary's population has increased by 4.5% since 2019 and continues to grow.

In February, the Central Library hosted an announcement for the Calgary Public Safety and Community Response Task Force, at which the Province announced additional funding to support Calgary Drop-In Centre's addiction response work. Attendees included Nicholas Milliken, Minister of Mental Health and Addiction; Jeremy Nixon, Minister of Seniors, Community and Social Services; Mike Ellis, Minister of Public Safety and Emergency Services; Rebecca Schulz, Minister of Municipal Affairs; Mayor Jyoti Gondek; and task force members.

The start of the year saw a flurry of Councillor Storytimes at locations across the city. We welcomed Councillor Dhaliwal at Saddletowne, Councillor Sharp to Bowness, Councillor Pootmans to Signal Hill, and are working with councillors to schedule more in their respective wards.

On March 14, Calgary City Council passed Bylaw 17M2023, a bylaw of the City of Calgary to create safe and inclusive access to recreation facilities and libraries, with amendments to reflect the Library's existing policies. The Library already has a set of policies, including Political Use of Space, Code of Conduct, and Use of Premises, that we use to direct any protests off our property and manage behaviour that contravenes our Code of Conduct. This bylaw establishes a clear boundary outside recreation centres and public libraries, ensuring visitors can access spaces safely.

System Developments

The Library is pleased to announce that Engine 23 will move into its new home at Fish Creek Library later this year. Engine 23 is a decommissioned Calgary Fire Department pumper truck that was part of the Early Learning Centre at the old Central Library. Since the opening of the new Central Library in 2018, Engine 23 has been in storage. An upcoming, extensive renovation of Fish Creek Library will allow for installation on the second floor between the existing Early Learning Centre and Questionarium. A public event will be held on March 22 to announce Engine 23 at Fish Creek Library and to kick off a fundraising initiative for the Foundation.

We marked Family Literacy Day on January 24 with the release of our latest <u>Family Reading Kits</u>. Family Reading Kits are online and have special displays at the six Library locations featuring Questionariums. Our 2023 Family Reading Kit titles are The Paper Bag Princess, Heartwood Hotel, Measuring Up, The Barren Grounds, and Ghost.

This year, all 21 locations will receive a Treaty 7 Land Acknowledgment plaque to display. The first plaque was installed in the Shaikh Family Welcome Gallery at Central Library on Saturday, February 25. The formal unveiling event began with a Grand Entry of Elders, Library staff and those involved in the process and implementation of the project. The Treaty 7 flag, along with the Métis Nation flag, represents and acknowledges the original people of the territory and those who are presently here. An opening blessing and smudge from Dr. Elder Miiksika'am (Clarence) Wolfleg were shared with a welcome from CEO Sarah Meilleur and remarks from Mayor Jyoti Gondek. Plaque artist Madison Tailfeathers and Elder Adrian Wolfleg unveiled the plaque together; an honour song was performed by Skip (Clarence) Wolfleg, and a warrior song by Elder Miiksika'am. A hoop dance performance and Storytime by special guest Sandra Lamouche followed.



Plaque designed by Maddy Tailfeathers



Members of the Library's Truth and Reconciliation Steering Committee with Elders

The Volunteer Team continues to engage new and previous volunteers to support expanding services and programs. Nearly 2,000 volunteers are currently registered. Program and Volunteer Planning have onboarded 240 new volunteers and engaged 590 volunteers who contributed 3,783 volunteer hours across the system in the first two months of the year.

The new, My First Music Lesson programs, in partnership with the Chinook School of Music and Music and Play, launched on March 12 at Saddletowne Library with additional sessions at Signal Hill and Fish Creek Library. The registration lists were filled within the first 24 hours by word of mouth only, with more than 15 children on each waitlist. Collections are cataloguing and processing guitars and keyboards to prepare for this new programming.

Operational Highlights

The Library celebrated Black History Month throughout February with a range of programming, performances at Central Library, and special programs and events featuring journalist and historian Bashir Mohamed. Mohamed joined the Library as our first Black History Month Historian. He delivered popular virtual programs and an in-person event featuring Patricia King, presented in partnership with the Edmonton Public Library. Central Library also hosted several notable performances for Black History Month.







Ambassador Cohen and the Caili O'Doherty Quinte

Award-winning hip-hop artist Bubba B the MC led an interactive performance for families focused on reading and literacy as part of the Chinook Blast winter festival.

In partnership with the U.S. Consulate General of Calgary and American Music Abroad, the Library hosted The Caili O'Doherty Quintet, a New York-based jazz ensemble, for performances at Central Library from February 16 – 20. These educational performances highlight the connections between jazz and the Civil Rights Movement as well as unsung Black heroes in jazz history. The group's final Family Day performance included a special visit and opening remarks from U.S. Ambassador David L. Cohen.

All 21 locations were open for Family Day this year, with five libraries offering a special Pajama Day program that included free activities, special programming, and more. The system had over

11,000 visits for Family Day, and the five locations hosting the Family Day Party Pajama Party accounted for 64% of that number, with over 7,000 visits. This represents a 14% increase in visits over a comparable date.







Allen the Alpaca leads Storvtime on Family Day

Mayor Gondek with Persepolis

The Book Sanctuary display

The Library selected *Persepolis: The Story of a Childhood* by Marjane Satrapi as its annual Freedom to Read Week selection. The book was presented to Calgary's City Council on February 14 to demonstrate support for challenged titles.

For Freedom to Read Week (February 19 – 25), a display was installed in Central Library's Create Space to celebrate book access and reflect on challenges to this legally protected right. The Book Sanctuary was an initiative the Chicago Public Library started to raise awareness around ongoing challenges to freedom of information. Titles in Calgary's Book Sanctuary were selected based on a Canadian context, including Canadian authors, books that have been challenged or banned in Canada, or books that were challenged on material relevant to the societal context of Canada. Starting in March, the display will travel throughout the system.

Freedom to Read Week also included a partnered virtual program with Edmonton Public Library for the author Art Spiegelman, which was engaging and informative and reached 1,521 attendees.

Library staff participated in the Calgary Local Immigration Partnership all day strategy session to discuss ways to better serve the newcomer community in key areas, including mental and emotional well-being, economic stability, and community life. We learned more about the issues and challenges newcomers are facing and we shared how the Library provides resources and programming that support mental health and economic well-being through services like the Wellness Desk, Newcomer Desk, job search resources and English learning and literacy programs. These services aim to provide newcomers with the tools they need to build a better future for themselves and their families.

How to best support newcomers can look different for various communities. For example, the Centre for Newcomers at Village Square Leisure Centre began hosting a social worker each week that helps many newcomer Ukrainians. After seeing the social worker, the newcomers go to Fair Entry in the Village Square Library, and get new Library cards to support computer and printing access as well as a welcome to the Library. There can be upwards of 25 newcomers accessing assistance during our peak hours for this service. Village Square Library's diverse staff includes

Ukrainian-speaking employees who have been scheduled during peak times to help deliver services more efficiently and create a welcoming experience for these newcomers.

The Library has partnered with Mount Royal University to support the Vivacity Civic Innovation course. Vivacity invites students from across Calgary's post-secondary institutions to "innovate, co-create and implement solutions to local challenges, making our city more vibrant, livable and sustainable." This year's cohort is tasked with tackling two significant issues concerning newcomers and immigrants in Calgary. The first issue is centered around identifying methods to alleviate the obstacles and difficulties faced by those relocating to the city. In contrast, the second aims to address ways to raise awareness about the contributions of newcomers to Calgary. The cohort's citizen experiment will be displayed as an interactive and self-guided activity at the Create Space in the Central Library. At a final showcase on March 23, the students will present their findings, solutions, and recommendations to the public.

Virtual learning programming for schools has been viewed by 686 classes and reached 19,392 students so far in 2023, including: Caretakers of the Land with Elder Alice Kaquitts; Rhythm and Rhymes with Bubba B the MC; Caretakers of the Land – Inuit Culture and Language; and World Wildlife Day with the Wilder Institute and Lindsay Wasko.





An owl puppet from the Wilder Institute at the Calgary Zoo $\,$

Elder Kaquitts' (right) virtual event reached over 8,700 students

A new Central Tours Coordinator role has helped tours of Central Library increase dramatically. Between late January to the end of February, this role toured 20 school groups with over 400 students total, which resulted in 100 new registered members. In addition to school tours, the coordinator has provided special tours for newcomers, seniors, and adult learners.

From January 26 to February 12, the Events and Program Partnerships Team worked with community partners to activate Library spaces with arts and culture programming to surprise and delight. Four Winds YYC and 10at10 facilitated musical performances by Indigenous artists at Central Library each week and pop-up galleries featuring the works of Indigenous artists were in six locations throughout the city. Other art activities included a puppet-making station by W.P. Puppet Theatre and a Winter City Art Activity for Families at various locations.

Partnership Highlights

The Library signed the Urban Library Council's Statement on Summer Learning, affirming our long-standing commitment to providing quality summer learning opportunities to every child in

Calgary. Signing the statement connects us to a growing network of libraries and partner organizations focusing on summer learning in the U.S. and Canada. It provides access to shared training resources, best practices, and research that will help us make our Ultimate Summer Challenge even better. This statement's intent is focused at an operational level rather than the governance-level statements the Library has signed on to (such as the Statement on Race and Social Equity and Statement on Democracy in Libraries).

Central Library hosted 31 literacy sessions over two days of the Calgary City Teacher's Convention. We welcomed hundreds of teachers into the building to self-guide through various stations of interest. We introduced a new brochure, *The Library and Your School*, and eight staff from across the system gave relevant and dynamic presentations to teachers.

The Newcomers Desk at Central Library has been a resounding success since launching in October 2022 and continues to expand thanks to partnerships with the Calgary Catholic Immigration Society (CCIS) and Immigrant Services Calgary. Newcomers Desk has served 418 people since its launch and it highlights the power of collaboration in creating impactful community services, ensuring that newcomers receive the necessary support to integrate successfully into their new community. T45% of its patrons have secured employment since visiting. Additionally, the Desk's extensive settlement assistance has helped newcomers navigate crucial aspects of life such as housing, healthcare, and education, highlighting its commitment to holistic service delivery.

Job Desk had a significant increase in attendance in the first two months of the year. Coaches provided one-on-one support to 139 patrons in January and 130 in February. This has been a 66% increase of the average monthly patron attendance in Q4 2022, which saw 81 users per month.

The Library is proud to partner with the Calgary Board of Education, the City of Calgary, and Ever Active Schools on Recreational Leadership. This program allows high school students to earn extra graduation credits, learn about recreation leadership as a field, and earn certifications like first aid and CPR. The Library provides space in the Teen Centre at Central Library and provides Chromebooks to use during the program. Bringing teen participants into the Library has also resulted in some new membership registrations.

After a three-year hiatus, January saw the return of It's a Crime Not to Read Family Pizza Party nights. It's a Crime Not to Read is one of the Library's longest-running programs that brings Calgary Police community officers into schools to interact with the community. Special pizza party nights invite students from nearby schools along with their parents and caregivers to meet officers, learn safety tips, and read together at the Library. Between January and March, 23 parties were planned at 17 locations, with 244 pizzas ordered to serve approximately 1,130 kids. In addition to coordinating the pizza deliveries and sending juice to the party locations, staff arranged for 94 volunteers to assist with parties across the system. At Judith Umbach Library, over 70 patrons arrived for one such event.

Impact Moments

Job Desk Career Coaches have seen an increase in Ukrainian newcomers seeking support in their job search in Canada. A recent story highlights the benefits of this important Library service.

Ivanna*, her husband, and their two little sons came from Ukraine to Canada this year. She has over ten years of experience in management and she shared that she has been applying to part-time retail jobs for months but kept getting rejections. We discussed how to highlight her strengths, skills, and accomplishments in her resume that match job posting requirements and how to prepare a cover letter that will catch the attention of recruiters and H.R. managers. She was also encouraged to build on her strengths, such as assertiveness, to build a network and pursue applications without giving up. She was referred to Directions for Immigrants for further coaching on her long-term career goals. She left the Job Desk very appreciative of the coaching services she received.

*name has been changed

Our Collections team is a foundational element to our services. Recently, a patron reminded us of the importance of books and diverse items:

Two weeks back I took my kids for a program at Memorial Park and I decided to spend my wait reading something out of my typical fare. I wandered over to the People, Place, Plot, Prose picks and decided to sit down with "People Change" by Vivek Shraya (mostly because its size looked undaunting, to be honest). Little did I know I was hopping into a mind-opening read about self-definition and contentedness by a local author. This small book has sent me on a couple weeks of various reflections, and I feel like it's unlocked some understandings and empathy I've never had before.

Anyway, I say all this to simply say thank you for your daily efforts to allow folks like me to stumble upon some title that makes their day a little brighter or changes their sense of self. I hope you always remember the invisible impact you're having in so many lives.

Providing space is often one of the most impactful things we do at the Library, as often that space creates powerful moments of connection.

An elderly lady is helping a young mother with her English. They come often to Southwood Library, and they use the literacy collection a lot. They prefer the location because it's small and cozy and convenient. The young mom can't afford childcare and while the two women are sitting at a table, making conversation, she can still keep an eye on her child, who loves to play in the Early Learning Centre. The arrangement works perfectly for the two women, who seem to have formed a friendship over time, proving that mentoring a newcomer goes beyond English language tutoring. One day in December, a Library member overheard the conversation between the two women. The young mom needed a stroller for her child. Within minutes, the anonymous member brought a stroller and

graciously offered it to the young mom. While not brand new, the stroller was still in very good condition. Both women were very touched by the generosity of a stranger. The elderly lady wanted to share the story with library staff, concluding: "Miracles happen at the library!"

Approved Minutes Governance Committee Meeting

Calgary Public Library Board Central Library Boardroom 0-11 Tuesday, January 31, 2023 7:40 pm

In Attendance:

Board

Andrew Rodych (Chair)
Haritha Devulapally (virtual)
Sandy Gill
Al-Karim Khimji
Evan Legate (virtual)
Crystal Manyfingers (virtual)
Dana Saric
Sheeba Vijayan

Regrets

Councillor Jasmine Mian Councillor Kourtney Penner

Administration

Sarah Meilleur, *CEO*Alexis Apps, *Senior Executive Assistant*Amanda Robertson, *Executive Assistant*

1. Treaty 7 Opening

Sandy Gill respectfully opened the meeting with a Treaty 7 land acknowledgement.

2. Board Self-Evaluation

A. 2022 Board Self-Evaluation Results

Andrew Rodych reviewed highlights from the January 10, 2023 meeting of the Governance Committee, during which there had been a discussion about potential improvements to consider addressing the themes and commentary that arose regarding the level of Board member engagement.

The Committee agreed that engagement has and continues to improve since the discussion at the previous Governance Committee meeting. The Committee also agreed that a return to inperson meetings and pre-pandemic practices may help engagement matters going forward. With a shared understanding that standards are best set when performance is already high, the Committee agreed to monitor and re-assess engagement levels immediately following the Board Retreat on April 22, 2023.

The Committee expressed a need for a specific document outlining the expectations for Board members and will use this lens when reviewing the Team Charter in February.

Task	Responsible	Deadline
Review the Team Charter through the lens of	Governance	February 2023
shared expectations for performance and	Committee	
engagement.		
Re-assess Board engagement levels following the	Governance	May 2023
April Board Retreat.	Committee	

3. Adjournment

MOVED by Evan Legate that the meeting be adjourned at 8:20 pm.

Transcribed by Amanda Robertson

Andrew Rodych Committee Chair

Approved Minutes Governance Committee Meeting Calgary Public Library Board Online via Microsoft Teams Tuesday, February 7, 2023 5:00 pm

In Attendance:

Board

Andrew Rodych (Chair) Haritha Devulapally Al-Karim Khimji Crystal Manyfingers Sheeba Vijayan Administration

Sarah Meilleur, CEO
Alexis Apps, Senior Executive Assistant
Amanda Robertson, Executive Assistant
Heather Robertson, Director, Service Design and Innovation

Regrets

Sandy Gill

1. Treaty 7 Opening

Haritha Devulapally respectfully opened the meeting with a Treaty 7 land acknowledgement.

2. Review of Agenda

MOVED by Sandy Gill that the January 10, 2023 agenda be approved as presented.

Carried unanimously

3. Approval of Minutes

MOVED by Andrew Rodych that the minutes of the January 10, 2023 Governance Committee meeting be approved as presented.

Carried unanimously

Sandy Gill, having reviewed the materials and submitted feedback in advance of the meeting to Committee Chair Andrew Rodych, asked that the minutes of the January 31, 2023 meeting be amended to replace "which approach to recommend" with "potential improvements to consider" and "had shown improvement" with "has and continues to improve".

MOVED by Andrew Rodych that the minutes of the January 31, 2023 Governance Committee meeting be approved as amended.

Carried unanimously

4. Business Arising

None.

5. Board Relations

A. Orientation Timeline Review

Heather Robertson reviewed the actions taken to date this year and advised the Committee that new Board member orientation is proceeding as planned.

The recordings of each orientation session will be shared with the Board to provide access to the information for those who had been unable to attend. Administration advised that these recordings include question and answer periods and recommended that Board members endeavour to attend live to better facilitate conversations and have questions answered in real time by members of the Executive Leadership Team.

6. Board Recruitment

A. Board Recruitment Process Review

The Committee reviewed the *Board Recruitment, Re-appointment, and Development Process* document specifically with regard to next steps for Board member re-appointment.

When discussing the step requiring the Board Chair or designate to collect confidential feedback from each Board member about the effectiveness of re-appointment candidates, Crystal Manyfingers asked for confirmation that this had been done in recent years as she did not recall being consulted about the performance of past re-appointment candidates since her appointment in 2020.

Administration confirmed that this is a long-standing practice, and not something new. What is new are the specific questions included in this process document as a response to questions raised about the process by the Governance Committee in 2022. This new process document and questions were reviewed and approved by the Governance Committee at the January 2023 meeting.

Andrew Rodych advised that in 2022, one of the candidates that was up for reappointment was on an approved leave of absence, and that the discussion regarding her re-appointment was a Board level in-camera discussion. Regarding the other candidate and considering the capacity of Board members at the time, confidential feedback was not sought in 2022.

MOVED by Al-Karim Khimji that the Governance Committee receive the Board Recruitment, Reappointment, and Development Process document for information as presented.

In Favour: 4 Opposed: 1 Motion Carried

7. Bylaws, Policies and Processes

A. Board Bylaw Review

Heather Robertson advised that there is an error in the Bylaw that mentions an outdated job title. The Committee agreed that this language may be revised to instead refer to "the person responsible for" the specified subject matter. Administration agreed to review the Bylaw for other related wording errors and to bring to the next meeting for approval. The Board agreed that a deeper review of the Bylaw was unnecessary at this time.

Task	Responsible	Deadline
Propose minor wording revisions to the Board	Administration	March 2023
Bylaw and submit it to the Governance		
Committee for review and forwarding to the		
Calgary Public Library Board.		

B. Board Policy Review

Administration advised the Committee that three policies had been requested for a deeper review in 2023 by the 2022 Governance Committee: the Code of Conduct in relation to its overlap with the Team Charter; the addition of a visual aid to supplement the new Equity and Belonging policy; and consideration for strengthened language in the Donations: Materials policy. The Committee agreed to a focused review of those three areas in April 2023 and to defer a full review of the Board Policy to 2024.

The Committee also directed Administration to provide samples and other research to support the development of a future policy on Intellectual Freedom.

Task	Responsible	Deadline
Bring the three policy focus areas to the	Administration	April 2023
Governance Committee for deeper review and		
consideration.		
Provide a mechanical review of the full Board	Administration	April 2023
Policy book to ensure accuracy.		
Provide samples and research to support the	Administration	April 2023
development of a future policy on Intellectual		
Freedom.		

C. Team Charter and Code of Conduct Review

Andrew Rodych provided a summary of the process leading to the Team Charter's adoption in 2021. The document was originally intended to provide standard of performance and conduct to which Board members could hold themselves and one another. There is some redundancy between the Code of Conduct and the Team Charter. In 2022, the Governance Committee directed Administration to raise this matter for further examination in 2023.

Rodych volunteered to incorporate feedback from the January 31, 2023 and February 7, 2023 meetings of the Governance Committee in a first draft of revisions to the Team Charter.

Task	Responsible	Deadline
Prepare a draft revision to the Team Charter for	Andrew Rodych,	April 2023
review by the Governance Committee.	Committee Chair	

8. Workplan Review

The Committee confirmed that per the workplan, the in camera discussion today will address the CEO performance evaluation questionnaire for 2023.

9. Other Business

None.

10. In Camera

MOVED by Haritha Devulapally that the Governance Committee move in camera at 6:45 pm.

Carried unanimously

MOVED by Haritha Devulapally that the Governance Committee rise and report:

That Salopek & Associates be engaged to commission a CEO 360 Performance Review using the format and questions approved by the Calgary Public Library Board in 2022.

Carried unanimously

Task	Responsible	Deadline
Engage the Calgary Public Library procurement	Andrew Rodych,	February 28, 2023
team as well as Salopek & Associates to launch	Committee Chair	
review project.		

11. Adjournment

MOVED by Crystal Manyfingers that the meeting be adjourned at 7:03 pm.

Transcribed by Amanda Robertson

Andrew Rodych

Committee Chair

Unapproved Minutes **Governance Committee Meeting**

Calgary Public Library Board Online via Microsoft Teams Tuesday, February 28, 2023 5:30 pm

In Attendance:

Board

Andrew Rodych (Chair) Haritha Devulapally Al-Karim Khimji Crystal Manyfingers Sheeba Vijayan Administration

Sarah Meilleur, *CEO*Alexis Apps, *Senior Executive Assistant*Manjula Nanjappa, *Director, Technology*Amanda Robertson, *Executive Assistant*Heather Robertson, *Director, Service Design and Innovation*

Regrets

Sandy Gill Al-Karim Khimji

1. Treaty 7 Opening

Andrew Rodych respectfully opened the meeting with a Treaty 7 land acknowledgement.

2. Review of Agenda

MOVED by Sheeba Vijayan that the February 28, 2023 agenda be approved as presented.

Carried unanimously

3. Approval of Minutes

MOVED by Andrew Rodych that the minutes of the February 7, 2023 Governance Committee meeting be approved as presented.

Carried unanimously

4. Business Arising

None.

5. Board Recruitment

A. Recruitment Firm Update

Heather Robertson provided an overview of the terms of the contract that was executed in 2022 with Pekarsky and Co, the vendor selected by the Board to assist in the search campaign.

It was confirmed that a review of search firm performance is part of the Boards annual in camera process of finalizing new board member candidates each September.

Haritha Devulapally joined the meeting at 5:40 pm.

B. Re-appointment Update

Andrew Rodych provided an update on behalf of Board Chair Sandy Gill, who sent her regrets.

Mid-year meetings between Board members and the Chair are underway. These one-on-one meetings give Board members the opportunity to provide feedback to the Chair about the contributions of re-appointment candidates, their own comfort in their role and with the direction of the Board, as well as personal goals and succession planning. These meetings will be concluded by early April. Rodych advised that Gill will provide another re-appointment update at an upcoming Governance Committee meeting after all one-on-one meetings have concluded.

The Calgary Public Library Foundation Board has requested a copy of the Library Board's self-evaluation survey questions and an opportunity to connect regarding recruitment this year. Sarah Meilleur advised that the Foundation and Library Boards have connected regarding recruitment in the past to ensure that each Board has an opportunity to engage with prospective members who will be the best fit for each group's mandate. For example, some candidates may apply for the Library Board despite having skills and connections best suited to the Foundation Board, and vice versa.

With the Committee's agreement, Rodych will advise Gill that this update has been discussed and that she is free to coordinate this discussion with the Foundation Board going forward.

Task	Responsible	Deadline
Confirm with Sandy Gill that her update has been	Andrew Rodych,	March 2023
discussed and she should proceed with	Committee Chair	
connecting with the Foundation Board as		
requested.		
Provide a complete re-appointment update to the	Sandy Gill,	April 2023
Governance Committee.	Board Chair	

C. Board Skills Matrix

Andrew Rodych provided context regarding the updated Board Skills Matrix template for those who were not on the Governance Committee in 2022. The Governance Committee had completed work intended to streamline and enhance this tool for identifying the skills present and absent from Board membership. Rather than focusing on separate skills and professional experience, all categories have now been grouped under Fields of Expertise. Some of the fields were removed due to their relevance being tied primarily to the construction of New Central Library. Others were removed, broadened, or consolidated to mitigate redundancy. The scale of competence was revised from 1-3 to 0-5 to reflect a broader range of expertise/experience.

The Committee reviewed the template and directed Administration to strike "Environment", replacing it with "Equity, Diversity, Inclusion, and Belonging". Administration was asked to then circulate the template as amended for each Board member to complete with sufficient notice for the results to be reported to the ad hoc Recruitment Committee in April.

MOVED by Haritha Devulapally that the 2023 Skills Matrix Template be approved for circulation as amended.

Carried unanimously

D. Form Ad Hoc Recruitment Committee

Andrew Rodych reviewed the parameters of the ad hoc Recruitment Committee:

- That it be composed of at least three members, ideally none of whom is standing for reappointment and could be viewed as having a conflict of interest unless no other candidates are available
- That its work be concluded after the appointment or re-appointment is completed in October 2023
- That it begin its work in April 2023 by first meeting with the approved search firm

Rodych advised that he will not be standing for re-appointment, meaning that the Recruitment Committee will be responsible for filling one vacancy in addition to the list of alternates to be provided each year for pre-approval in case of a mid-term vacancy. Rodych will not join the Recruitment Committee and advised that he will share his experience in Library Board recruitment with new committee members in order to ease the transition, make introductions to the search firm, and transfer his knowledge before his term ends.

Haritha Devulapally volunteered to join the ad hoc Recruitment Committee. The Committee directed Administration to share her participation with the rest of the Board and to solicit two additional volunteers.

Task	Responsible	Deadline
Solicit two additional volunteers for the ad hoc	Administration	March 2023
Recruitment Committee.		

6. Workplan Review

Andrew Rodych advised that since the February 7, 2023 meeting of the Governance Committee, during which there was an in camera discussion regarding the 2023 CEO evaluation process, he has been in touch with Salopek and Associates to engage them for this year. The same representative has been assigned to the Library as in 2022. Rodych and Sandy Gill will initiate conversations with Salopek and provide updates to the Governance Committee as things progress with a presentation to the Committee from Salopek to launch the process, then a presentation of findings once they have been analyzed.

There were no changes proposed to the workplan.

7. Other Business

Andrew Rodych reviewed additional notes shared with him by Board Chair Sandy Gill in her absence.

Information Sharing

Sandy Gill was approached by a former Board member who has joined the Board of a new organization called Canadian Association of LGBTQ2S+ Lawyers. The Association's Board has made a broad request for templates the Library Board would be willing to share to support the establishment of their governance processes. A full list of the requested documents will be shared with Administration to review for sensitivity before sharing.

Task	Responsible	Deadline
Share the full list of templates and documentation	Andrew Rodych,	March 2023
requested by the Board of Canadian Association of LGBTQ2S+ Lawyers with Administration for review.	Committee Chair	
Review the list and any potential risks.	Governance	April 2023
The view the list and any potential risks.	Committee	Αριίι 2020

8. Adjournment

MOVED by Crystal Manyfingers that the meeting be adjourned at 6:28 pm.

Transcribed by Amanda Robertson

Andrew Rodych	
Committee Chair	

Calgary Public Library Board Ad Hoc Recruitment Committee Timeline March 22, 2023

Tas	sk	Responsible	Status/Deadlines
1.	Create and post RFP for board search firm (or skip to step 7)	Procurement	February
2.	Review search firm proposals and make recommendation to Governance Committee	Recruitment Committee	February
3.	Approve a search firm and recommend to Board for approval	Governance Committee	March - Week 1
4.	Approve the search firm	Board	March – Week 4
5.	Notify Procurement of the successful bid	Executive Assistant	April
6.	Award the contract	Procurement	April
7.	Meet as needed with the search firm to establish expectations, share completed skills matrix, and confirm the number of candidates being sought	Recruitment Committee	April – May
8.	Interview and evaluate Board candidates	Recruitment Committee	June – August
9.	Recommend preferred and alternate candidates to the Governance Committee	Recruitment Committee	September – Week 1
10	. Recommend preferred and alternate candidates to the Board	Governance Committee	September – Week 4
11	. Submit the Board's preferred and alternate nominees to City Council	Administration	September – Week 4 (deadline varies)

Calgary Public Library Board Record of Urgent Motion To Recognize Decision in Policy Grievance Dated March 13, 2023

Background:

The Board ad hoc Grievance Review Committee heard a grievance at a meeting with CUPE Local 1169 and Library Adinistration on March 7, 2023. The Committee members (Sandy, Sheeba, and Andrew) are available to provide additional context on their determination if you wish to hear more. In short, the Committee determined that the Day of Mourning does not qualify as a holiday under the Collective Agreement as it was not a proclaimed general holiday or statutory holiday.

Urgent Motion:

MOVED by Sandy Gill, and seconded by Andrew Rodych, that the Calgary Public Library Board shares its determination as outlined below with CUPE Local 1169 and Calgary Public Library leadership:

1. The Board of Calgary Public Library has heard the position of CUPE Local 1169 and of Calgary Public Library in regard to a policy grievance raised by CUPE Local 1169 regarding the Day of Mourning, September 19, 2022. The Board's determination in this matter is that the language of clause 10.01(a) did not require Calgary Public Library to recognize the Day of Mourning of September 19, 2022, as a holiday, general or otherwise. The Board recognizes the decision of Calgary Public Library as correct in terms of how the Day of Mourning was treated relative to the Collective Agreement.

Approved: 9 Motion Carried

Unapproved Minutes Strategy and Community Committee

Online via Microsoft Teams Wednesday, February 8, 2023 5:30 pm

In Attendance:

Board

Al-Karim Khimji (Chair)

Evan Legate

Crystal Manyfingers

Dana Saric Sheeba Vijayan

Regrets Sandy Gill Administration

Sarah Meilleur, CEO

Mary Kapusta, Director, Communications and Engagement

Paul Lane, *Director, Strategy and Planning* Melissa Legacy, *Director, Visitor Experience* Amanda Robertson, *Executive Assistant*

1. Meeting Opening

Dana Saric respectfully opened the meeting with a Treaty 7 land acknowledgement.

2. Review of Agenda

MOVED by Sheeba Vijayan that the agenda for February 8, 2023 be approved as presented.

Carried unanimously

3. Approval of Minutes

MOVED by Dana Saric that the minutes of the January 11, 2023 meeting be approved as presented.

Carried unanimously

4. Business Arising

None.

5. Mini Moment

Crystal Manyfingers shared a story about an award-winning Indigenous dancer who had performed nearby for Chinook Blast and spent time speaking with visitors outside Central Library,

inspiring cultural pride in other Indigenous people present. Manyfingers remarked on the ability of the Library to draw people together who may not have met otherwise and the benefits that come from those instances.

6. 2023 Strategic Scorecard Format

Paul Lane reviewed the new proposed format for the quarterly strategic scorecard that will be implemented for the Q1 2023 report. The new report style is also being brought into alignment with spotlight areas of interest to the Strategy and Community Committee as well as the financial realities that will support the Board's understanding of strategic decisions being made by Administration on an ongoing basis.

The prior report style has been in use for eight years and had been divided into a framework of "How Much", "How Well", and "Better Off". Going forward, the report will be divided into "Engagement", "Products", and "Impacts".

Engagement measures will show the strength of the Library's relationship with its customers. These will be independent of the Library's strategic priorities as high engagement should be sought regardless of which strategies are the organization's focus at a given time. Without high engagement, the initiatives undertaken to reach strategic goals will be less effective. This will include use of the Library Hotline, new memberships, repeat visitors, and dwell time.

Products will be measures that recognize matters under the direct control of Library Administration: content (circulation, views, downloads, and virtual learning); spaces (physical and website visits); experiences (programs, outreach, and tours); and tools (desktop computers, laptops, printing, and Wi-Fi). These are the areas in which Administration makes budget decisions based on available data.

Impact measures will assess the effect the Library is having on the community as related to the strategic plan. This will include the ways in which Library users respond to our strategic priorities of "Create Purpose Together", "Champion a Sense of Belonging", "Energize Lifelong Learning" as well as the ongoing measure of general satisfaction.

Visuals provided in the new reports will show trends, some comparison against prior periods, and breakdowns of contributing factors towards totals. These will be intended to help make the data more intuitive to understand and prompt discussion amongst Committee members regarding impacts and changes over time.

The new report will no longer refer to Holdings per Capita as this has become harder to measure with the changing nature of digital licensing.

MOVED by Crystal Manyfingers that the 2023 Strategic Scorecard Format Report be received for information as presented.

Carried unanimously

7. Community Library Liaison Assignments

The Committee reviewed the Community Library Liaison assignments as proposed by Administration and agreed that no changes will be needed before approval. Administration advised that next steps will be for Service Delivery managers to reach out to Board members to establish communication.

MOVED by Evan Legate that the 2023 Community Library Liaison Assignments be approved by the Strategy and Community Committee as presented.

Carried unanimously

8. Board Retreat Planning

Mary Kapusta provided an update on the retreat planning process. The ad hoc Retreat Planning Committee has met and will continue to meet as needed to finalize details.

The retreat will be hosted at Central Library in different spaces throughout the day on Saturday, April 22. The sessions will all be held in person with no hybrid or remote option available.

The facilitated sessions will be grounded in the Library's strategic priorities. Administration is working with the Human Resources and Indigenous Services teams to coordinate plans as necessary. An agenda draft will follow from Administration in the coming weeks as details become available.

9. Workplan Review

Mary Kapusta proposed a tentative spotlight report schedule to include: *Intellectual Freedom; Innovation Engine: City as Library; Truth and Reconciliation; Facility Framework and System Planning; Outreach Strategy;* and *Teen Engagement.* The dates of each report will be finalized with presenters and shared at the next Committee meeting.

10. Other Business

None.

11. Adjournment

MOVED by Crystal Manyfingers that the meeting be adjourned at 6:40 pm.

Transcribed by Amanda Robertson

Al-Karim Khimji Committee Chair

Unapproved Minutes

Audit and Finance Committee Meeting Calgary Public Library Board

Online via Microsoft Teams Tuesday, March 14, 2023 5:30 pm

In Attendance:

BoardAdministrationEvan Legate (Chair)Sarah Meilleur, CEO

Haritha Devulapally Katrina Ducs, Financial Services and Procurement Lead

Andrew Rodych Doug Durant, Security Advisor

Dana Saric Chae Jun, Controller

Paul Lane, Director, Strategy and Planning

RegretsManjula Nanjappa, Director, TechnologySandy GillAmanda Robertson, Executive Assistant

Heather Robertson, Director, Service Design and Innovation

Guests

Harman Gill, *Deloitte* Cassandra Lum, *Deloitte*

1. Treaty 7 Opening

Haritha Devulapally respectfully opened the meeting with a Treaty 7 land acknowledgement.

2. Review of Agenda

MOVED by Andrew Rodych that the March 14, 2023 Audit and Finance Committee meeting agenda be approved as amended.

Carried unanimously

3. Approval of Minutes

MOVED by Andrew Rodych that the minutes of the January 17, 2022 Audit and Finance Committee meeting be approved as circulated.

Carried unanimously

4. Business Arising

Katrina Ducs advised the Committee that the City of Calgary will no longer send a representative to attend Calgary Public Library Board or Audit and Finance Committee meetings to present the annual insurance report. Instead, the report will be shared with the Finance and Procurement team, who will in turn share it with the Committee.

The Committee agreed that this new process will be acceptable and that the insurance report will be reviewed for information as previously scheduled in the Committee workplan.

5. Safety and Security Report

Doug Durant presented highlights from the Safety and Security Report prepared at the Committee's request.

As previously reported in the Risk Register, the number of incident reports has been trending downward with the exception of regular cycle increases expected during colder months. Despite the increase in frequency, Library staff and security have been observing an increased level of intensity when disruptive or antisocial behaviour occurs. That can challenge the sense of safety for staff and visitors, so the Library is monitoring and addressing this closely.

Key trends the Library has been monitoring are an increase in incidents within or around washrooms, which is being driven in part by Central Library having some of the only publicly accessible washrooms on weekday evenings and weekends. There has also been a higher proportion of cases of open drug use, particularly in exterior spaces on Library property. The Library has learned that neighbourhood partner organizations and businesses are experiencing similar incidents with outdoor drug use near their facilities as well. The third trend is an increase in incidents related to teen social disorder and violence, particularly in Library locations with close proximity to schools.

The key performance indicators measured by the security team include abusive behaviour, assaults, drug use, and alcohol, along with other categories that have a lesser impact on Library operations.

The Library has been mitigating these security risks with a behaviour-based approach. Prior to this, the security team would identify individuals who had previously been banned for breaking the code of conduct. Interacting with those patrons would frequently escalate to additional incidents, which was driving up KPIs. Instead, security now uses a behaviour-based approach to view every visitor to the Library with a consistent lens, stepping in only to address specific behaviours rather than focusing on membership status.

The Library has also been activating different spaces within community libraries to address issues inside and outside the buildings. To help with the teen social disorder in community libraries, one mitigation tactic has been to physically re-arrange furniture in affected locations, thereby diluting

the concentration of teens congregating in given areas. At Central Library, there have been additional security patrols scheduled. This is not to increase enforcement, but rather to have a visible presence and to do interventions with vulnerable visitors in need of social supports. These tactics have been successful in reducing the number of reported incidents.

The Library has also nurtured partnerships in the East Village and other downtown areas to exchange information and advice. Library staff members have been receiving training to provide additional support to their sense of security, safety, and resiliency in their workplace.

The ongoing common goal is to have a safe and welcoming Library environment balanced with appropriate incident response and security management.

MOVED by Evan Legate that the Safety and Security Report be accepted for information as presented.

Carried unanimously

6. Controller's Report for the Year Ended December 31, 2022

Chae Jun presented highlights from the Controller's report for the year ended December 31, 2022. A prevailing theme in this year's financial statements is consistency with the results reported for the year ended December 31, 2021.

At year end, the Library's cash position was \$11.7 million, a \$1.2 million increase from year end 2021 due in part to increased interest revenue, projects carried forward, and underspending in various expense categories due to service levels not having fully returned to pre-pandemic volumes for the duration of the year. Net revenue increased by \$1.5 million, due primarily to the increase in City funding to cover the cumulative 3% salary increase for CUPE employees between 2021 and 2022. An additional 2% increase has been reflected in the 2023 budget.

In 2022, expenses decreased by \$556,000. This is primarily attributed to projects being carried forward, operating budget savings in various categories, and a recalculation of the estimated life of an asset with regard to amortization.

2022 ended with \$7 million in net financial assets, a \$1 million increase from 2021.

Net tangible capital assets (TCA), consisting of the Library's books, buildings, IT, and vehicles, decreased in 2022 due to higher amortization (\$6 million) than new additions (\$4.2 million). The accumulated surplus decreased from \$52.8 million to \$51 million) due primarily to the decrease in TCA.

The report also highlighted the Operating Reserve Fund at year end, which remained unchanged from its establishment in Q1 2021.

MOVED by Haritha Devulapally that the Controller's Report for the Year Ended December 31, 2022 be recommended as presented to the Calgary Public Library Board to receive for information.

Carried unanimously

7. Audited Financial Statements and Auditor's Report for the Year Ended December 31, 2022

Deloitte representatives Harman Gill and Cassandra Lum joined the meeting at 6:20 pm to present the auditor's findings for the year ended December 31, 2022. The most significant risk of fraud stems from Management override of controls, which requires a high level of Management judgment. Deloitte advised that this is no more a risk at the Library than it is at any other entity. Deloitte advised that the auditor had identified no significant misstatements, control deficiencies, or disclosure deficiencies relative to materiality.

MOVED by Haritha Devulapally that the Auditor's Report for the Year Ended December 31, 2022 be recommended by the Audit and Finance Committee to the Calgary Public Library Board for information as presented.

Carried unanimously

MOVED by Andrew Rodych that the Audited Financial Statements for the Year Ended December 31, 2022 be recommended by the Audit and Finance Committee to the Calgary Public Library Board for approval as presented.

Carried unanimously

8. Other Business

None.

9. In Camera

MOVED by Andrew Rodych that the Audit and Finance Committee move in camera.

Carried unanimously

At 6:30 pm, all Calgary Public Library staff members signed off from the call. All Board members and Deloitte representatives in attendance remained for an in camera discussion.

MOVED by Andrew Rodych that the Audit and Finance Committee rise without reporting.

10. Adjournment

MOVED by Evan Legate that the meeting be adjourned at 6:49 pm.

Transcribed by Amanda Robertson

Evan Legate Committee Chair

Report to the Calgary Public Library Board Audit & Finance Committee March 14, 2023

Controller's Report for the Year Ended December 31, 2022

The management financial reports of The Calgary Public Library for the year ended December 31, 2022, are appended to this report for information. The reports have been prepared using the full accrual basis of accounting, which recognizes the financial effect of events that impact an entity in the accounting period, regardless of whether cash was received or spent.

Please note that amounts are subject to change based on year-end adjustments and the auditor's interpretation of how the Library has applied the accounting standard changes.

A. Executive Summary

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

- Financial Dashboard
- Management Report Operating Activities
- Life Cycle Funding and Spending Profile
- Operating Reserve Fund
- DRAFT Audited Financial Statements and Notes

In 2022, the Library saw many activities of recovery. Unsurprisingly, data such as memberships and first-time check-outs clearly showed a significant increase towards the end of 2022, and this 'normalization' is continuing to be the case in Q1 2023. However, even though it seems like the distant past, the Library was operating under the influence of the COVID pandemic, more heavily in the first half of the year than the latter. The Library ended 2022 with an excess of revenue over expenses of \$1.2M before amortization and government transfers for capital. Despite the positive signs of recovery towards the end of the year, there were uncertainties including supply chain disruptions that affected various areas of Library operations.

Further explanations of the variances under revenue and expenses are summarized in sections C and D and in the Management Report – Operating Activities.

B. Management Report - Statement of Financial Position

The Library ended the year with a strong cash balance and favourable net financial assets.

Accounts receivable is made up of the recovery of capital funding from the City's Life Cycle account, GST and deposits. Accounts payable and accrued liabilities relate to Salaries and Benefits accruals at year-end and amounts owing to vendors. Deferred revenues include the money received from the Foundation for various restricted grant programs.

C. Revenues

Revenues were \$1.5M favourable at year-end.

Line 5 – City of Calgary - \$1,358,636F at December 31, 2022 and \$22,953F at September 30, 2022

The favourable variance is due to the City funding for the cumulative 3% CUPE salary increase starting from 2021 until 2022. An additional 2% increase is reflected in the 2023 budget.

Line 14 – Rent - \$52,530U at December 31, 2022 and \$26,265U at September 30, 2022

The unfavourable variance is due to the Lukes exterior restaurant remaining closed. The lease was terminated on February 28, 2023. Management is actively searching for a new tenant.

Line 19 – Interest and other revenues - \$609,138F at December 31, 2022 and \$217,810F at September 30, 2022

The favourable variance is mainly due to the increased interest rate, Genesis Centre hail damage repair funds and shared reserve, and cost recovery of the internship program.

Line 22 - Grants and sponsorships - \$413,621U at December 31, 2022 and \$41,181F at September 30, 2022

The unfavourable variance is primarily due to a portion of the grants carried forward to 2023. The unrecognized grant revenues and matching expenses relating to the restricted funding are reflected in the 2023 operating budget.

D. Expenses

Total expenses were \$0.6M favourable for the year-end.

Line 29 – Salaries and employee benefits - \$56,697U at December 31, 2022 and \$1,375,473F at September 30, 2022

Unfavourable variance is net of the favourable variance throughout the year and the cumulative 3% CUPE salary increase starting from 2021 until 2022. An additional 2% increase is reflected in the 2023 salary budget.

Line 32 – Collections - \$596,903U at December 31, 2022 and \$365,113U at September 30, 2022

The unfavourable variance is due to reallocation of \$0.5M Q1 2022 surplus.

Line 48 – General operating - \$743,307F at December 31, 2022 and \$717,320F at September 30, 2022

The favourable variance is mainly due to carried forward projects and operating budget savings in various expense categories. Carry forward projects will be reflected as part of the 2023 operating budget.

Line 54 - Building and equipment - \$341,547F at December 31, 2022 and \$531,859F at September 30, 2022

Except for insurance, there were less maintenance costs which resulted in favourable variances.

Line 74– Occupancy Costs - \$22,867F at December 31, 2022 and \$24,013F at September 30, 2022

The operating costs for the common areas were less than budgeted.

Line 75- Amortization - \$101,454F at December 31, 2022 and \$3,634U at September 30, 2022

Recalculation of the estimated life of an IT asset resulted in lowering the estimated amortization expense.

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 reports for the period ended December 31, 2022.

Prepared by Chae Jun CPA, CGA, MBA Controller



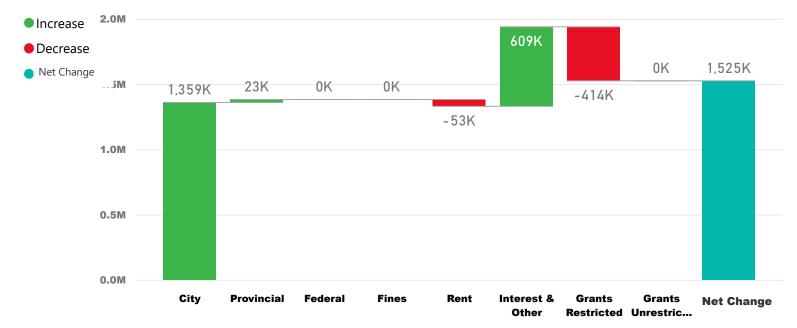
Commentary

- The \$1.2M increase in cash balance reflects the Library's 2022 year end surplus. The surplus is contributed from increased interest revenue as well as carried forward projects and underspending in various expense categories due to service level not fully back to pre-pandemic level.
- The increase in City funding is for the cumulative 3% CUPE salary increase starting from 2021 until 2022. An additional 2% increase is reflected in the 2023 budget.
- Provincial grant remains stable for 2022. There is a small in-kind support for Collections from the Public Library Services Branch.
- Foregone rent due to Luke's exterior restaurant remaining closed. The lease terminated on February 28, 2023. The management is actively looking for a new tenant.
- Interest and Other Revenue increase is due to increased interest rates, cost recovery of the internship program, Library's portion of Genesis Centre hail damage repair funds and shared reserve.
- Restricted Grants decrease is due to a portion of the grants carried forward to 2023 for projects, programs and salaries.

2022 Cash Position



Revenue Variance, Projected Actual vs. Board-Approved Budget



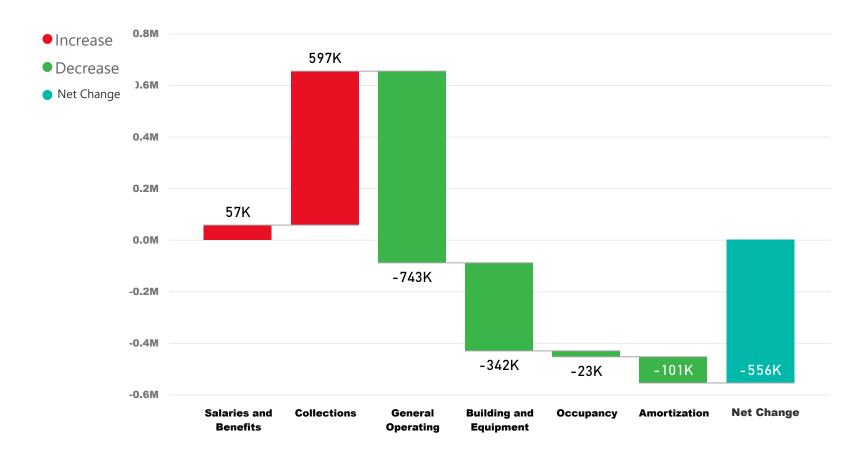
Board-Approved Budget Revenues 64,412K Revenues, Projected Actual 65,937K



Commentary

- The small unfavourable variance in Salaries and Benefits is net of the favourable variance throughout the year and the cumulative 3% CUPE salary increase starting from 2021 until 2022. An additional 2% increase is reflected in the 2023 budget.
- The increase in Collections is due to Q1 surplus reallocation.
- General Operating decrease is mainly due to carried forward projects and operating budget savings in various categories.
- The favourable variance in Building and Equipment is due to the underspending of demand maintenance and goods not received at year end.
- The savings in Occupancy is due to reduced common area costs.
- The decrease in Amortization is mainly due to the recalculation of the estimated life of an asset.

Expense Variance, Projected Actual vs. Board-Approved Budget



Board-Approved Budget Expenses

71,050K

Expenses, Projected Actual 70,495K

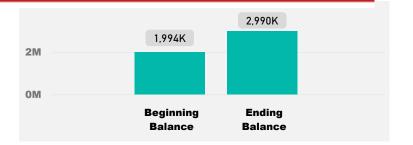


<u>Lifecycle Funding Commentary</u>

- At 2022 year end, the lifecycle fund balance includes accounts receivable from the City of Calgary, vendor prepaids and the Asset Management Reserve transferred from the operating funds.
- Carry forward funds include \$2.1M of The City lifecycle funding and \$0.7M asset management funds from PYs.

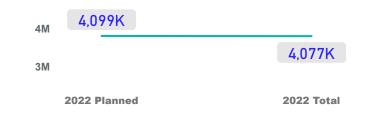
- Current year funds include \$1.8M of The City lifecycle funding, \$0.2M asset management from the operating funds, and \$0.5M from the Operating surplus for Saddletowne shelving.

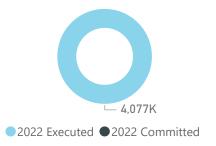
2022 Lifecycle Fund Position



Funding Source

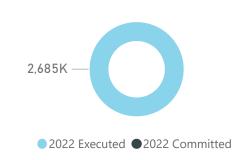




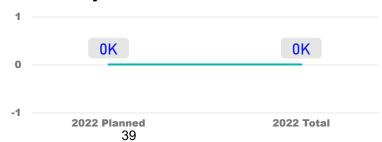


Current Year Funds





Growth Projects Funds





Lifecycle Spending Commentary

- Carry forward projects include Saddletowne and Shawnessy renovations. The increase is due to the scope adjustment of these two projects.

- Building decrease is due to the Fish Creek project being postponed to 2023.

- Current year F&E purchases are funded through Operating.

- The expenditure on vehicles is for a liftgate. No vehicles purchased during 2022 due to supply chain disruption.

Spending Profile -1-





Commentary:

- IT lifecycle spending is mainly for network and end-user equipment replacement.

- Unspent Demand Maintenance funding will be reallocated to other Lifecycle projects in 2023.

- There are no growth projects planned in 2022.

Spending Profile -2-



Growth Projects

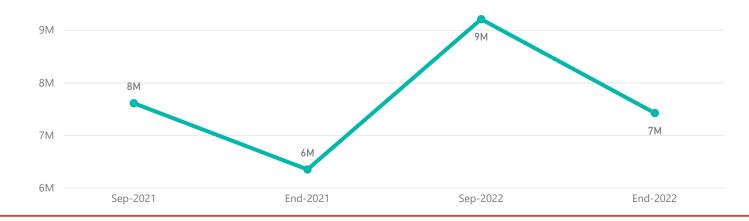


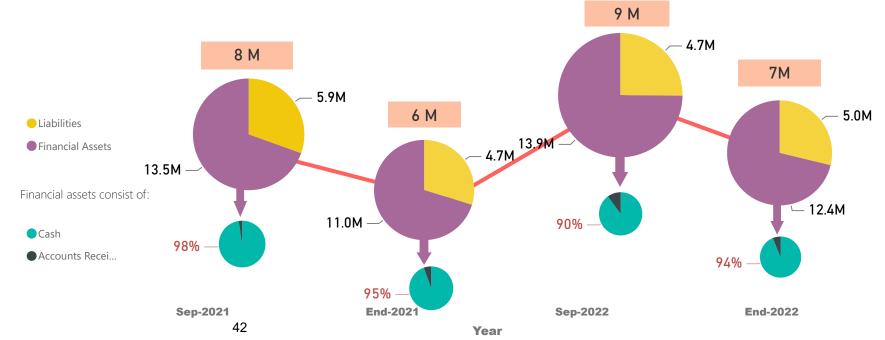
Commentary

- 2022 year-end Net Financial Assets is \$7M, a \$1M increase from 2021, which is mainly due to the increased cash balance.

Statement of Financial Position, as at Dec 31, 2022

Net Financial Assets







<u>Commentary</u>

- Tangible Capital Assets decrease is due to higher amortization (\$6M) than the new additions (\$4.2M).

Actions

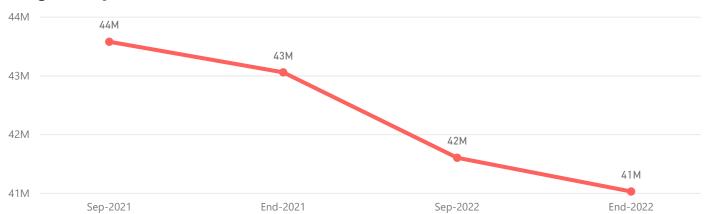
2022 additions:

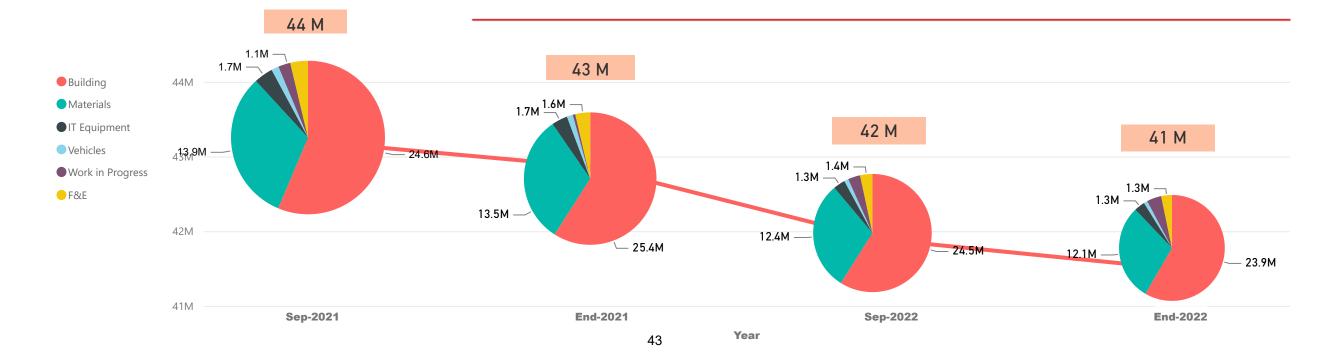
- Books: \$1.6M

- Buildings: \$2.6M

Statement of Financial Position, as at Dec 31, 2022

Tangible Capital Assets





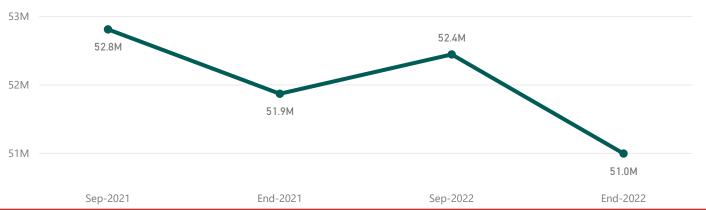


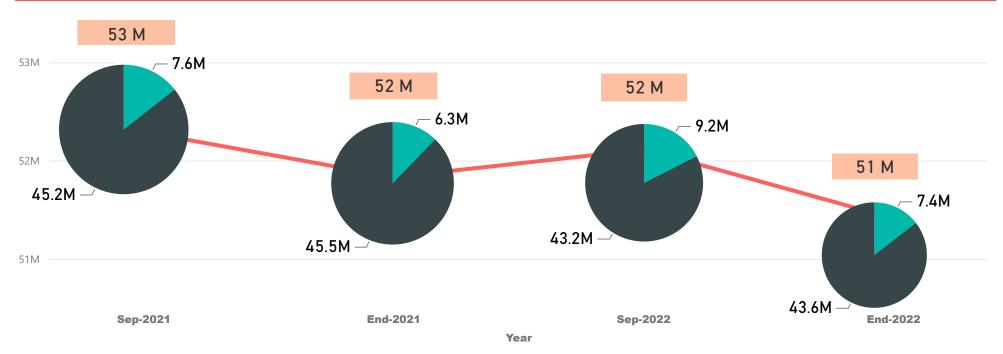
Commentary

- Decreased Accumulated Surplus is mainly due to the decrease in TCA.

Statement of Financial Position, as at Dec 31, 2022

Accumulated Surplus





Net Financial AssetsNon-Financial Assets

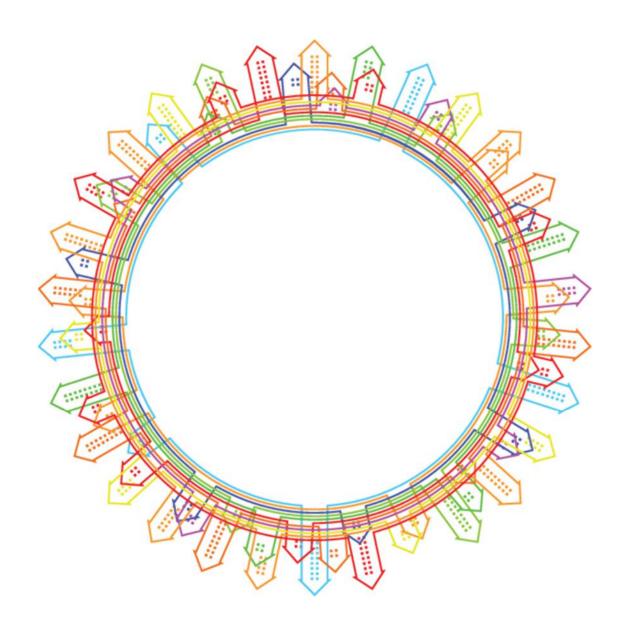
Management Report - Operating Activities For the Period Ended December 31, 2022	2022						Total Forecasted	
	Projected	Budget	Budget Variance	Total	Total	Forecast Increase/	vs	Comments
	Actual \$	YTD \$	YTD \$	BUDGET \$	Forecast \$	(Decrease) vs Total Budget \$	Projected Actual S	(Favorable: F / Unfavorable: U)
EVENUES								
5 City of Calgary	55,236,356	53,877,720	1,358,636	53,877,720	55,236,358	1,358,638	(1)	F - The increase in City funding is for the cumulative 3% CUPB salary increase starting from 2021 until 2022. An additional 2%
9 Province of Alberta	6 000 444	6 064 047	22.404	6 964 047	6 964 947		23,194	increase is reflected in the 2023 budget. F - The increase is due to an in-kind support for Collections
	6,888,111	6,864,917	·	6,864,917	6,864,917	-	·	from the Public Library Services Branch. U - The decrease is due to Luke's exterior restaurant remainin
14 Rent revenue	156,000	208,530	(52,530)	208,530	156,000	(52,530)	-	closed.
19 Interest and other revenue	1,342,225	733,087	609,138	733,087	1,238,087	505,000	104,138	F - The increase is mainly due to increased interest rates, cos recovery of the internship program, Genesis Centre hail damage repair funds and shared reserve.
22 Grants and sponsorships	2,314,195	2,727,816	(413,621)	2,727,816	2,322,136	(405,680)	(7,941)	U - The decrease is due to portion of the grants carried forward to 2023 for projects, programs and salaries.
23 Total revenues	65,936,887	64,412,070	1,524,818	64,412,070	65,817,497	1,405,427	119,390	_ F
KPENSES								
29 Salaries and employee benefits	40,398,253	40,341,557	' (56,697)	40,341,557	40,150,591	(190,966)	(247,662)	U - The small unfavourable variance in Salaries and Benefits i net of the favourable variance throughout the year and the cumulative 3% CUPE salary increase starting from 2021 until 2022. An additional 2% increase is reflected in the 2023 budget.
32 Collections	7,280,074	6,683,171	(596,903)	6,683,171	7,215,519	532,348	(64,555)	U - The increase is due to Q1 surplus reallocation.
48 General operating	9,603,265	10,346,572	? 743,307	10,346,572	10,151,358	(195,213)	548,093	F - The decrease is mainly due to carried forward projects and operating budget savings in various categories.
54 Building and equipment	5,413,927	5,755,474	341,547	5,755,474	5,580,474	(175,000)	166,547	F - The favourable budget variance is due to underspending of demand maintenance and goods not received at year end.
74 Occupancy Costs	1,765,748	1,788,615	5 22,867	1,788,615	1,793,063	4,448	27,315	F - The saving is due to reduced common area costs.
75 Amortization	6,033,245	6,134,699	101,454	6,134,699	6,134,699	-	101,454	F - The decrease in Amortization is mainly due to the recalculation of the estimated life of an asset.
76 Total expenses	70,494,512	71,050,088	555,575	71,050,088	71,025,703	(24,383)	531,192	_ F
EFICIENCY) EXCESS OF REVENUES OVER EXPENSES BEFORE THE FOLLOWING:	(4,557,625)	(6,638,018	3) 2,080,393	(6,638,018)	(5,208,206)	1,429,810	(650,581)	
Transfer between lifecycle and operating	503,913	1,288,764		1,288,764	721,394	(567,370)	217,482	
Transfer from prior year surplus Unrestricted reserve from prior years	1,055,157 2,763,107	1,055,157 2,763,107		1,055,157 2,763,107	1,055,157 2,763,107	-	-	
Operating reserve	3,000,000	3,000,000		3,000,000	3,000,000	-	-	
Transfer to asset management life cycle	(225,000)	(225,000		(225,000)			-	
Transfer to books capital Add back amortization	(1,595,943) 6,033,245	(1,615,600 6,134,699		(1,615,600) 6,134,699	(1,635,600) 6,134,699	(20,000)	(39,657) 101,454	
CESS BEFORE RESERVES, AMORTIZATION AND GOVERNMENT TRANSFERS FOR CAPITAL	6,976,854	5,763,109	1,213,744	5,763,109	6,605,550	842,440	371,304	-
Language desirated and any of the particular control	(2.762.407)	(2.762.407	,	(2.762.407)	(2.762.407)			
Less unrestricted reserve from prior years Less operating reserve	(2,763,107) (3,000,000)	(2,763,107 (3,000,000		(2,763,107) (3,000,000)			-	
CESS BEFORE AMORTIZATION AND GOVERNMENT TRANSFERS FOR CAPITAL	1,213,747	2	1,213,744	2	842,443	842,440	371,304	-
Government transfers for capital	3,859,314	4,293,000		4,293,000	4,293,000	-	433,686	
Amortization	(6,033,245)	(6,134,699		(6,134,699)			(101,454)	
Purchase of books capital Add back transfer to asset management life cycle	1,595,943 225,000	1,615,600 225,000		1,615,600 225,000	1,635,600 225,000	20,000	39,657	
Transfer between lifecycle and operating	(503,913)	(1,288,764		(1,288,764)		- 567,370	(217,482)	
Less transfer from prior year surplus	(1,055,157)	(1,055,157		(1,055,157)			(2, 702)	
Write off of tangible capital assets	(175,220)	-	(175,220)		(175,220)			
hange in Accumulated Surplus	(873,531)	(2,345,018	3) 1,471,487	(2,345,018)	(1,090,427)	1,429,810	525,711	-
ccumulated Surplus, beginning of year	51,864,300	52,109,792	(245,492)	52,109,792	51,864,300	(245,492))	
accumulated Surplus, end of year	50,990,769	49,764,774	1,225,995	49,764,774	50,773,873	1,009,098		
			, , ,					

. Calgary Public Library Restricted Use

Lifecycle Funding and Spending Profile	Projects	Description	2022 Planned	2022 Forecasted	2022 Executed	2022 Committed	2022 Total
As at December 31, 2022 Funding Source			(000)				
		Carry Forward Funds	4,099	4,077	4,077	-	4,077
		Current Year Funds	3,692	4,244	2,685	-	2,685
Total Funding Available			7,791	8,321	6,762		6,762
Spending Profile							
	Carry Forward Projects						
	New Projects	2021 Carry Forward Projects	2,158	3,342	2,960	382	3,342
	•	Building - Lifecycle	1,100	274	154	120	274
		Demand Maintenance	500	357	93	264	357
		Furniture	-	-	-	-	-
		Vehicles - Lifecycle	-	14	14	-	14
		Technology	900	929	830	99	929
Total Spending Profile			4,658	4,916	4,051	865	4,916
Total Funds Available			3,133	3,405	2,711		1,846

Operating Reserve Fund	Projects	Description	2021 Carry Forward	2022 Planned	2022 Executed	2022 Committed	2022 Total
As at December 31, 2022							
Funding Source			(000')				
	Carr	y Forward Funds	3,000	-	-	-	3,000
	Curr	rent Year Funds	-	-	-	-	-
Total Funds Available			3,000				3,000
Spending Profile							
Ca	ry Forward Projects 202	I Carry Forward Projects	-	-	-	-	-
Ne	w Projects						
	2022	2 Projects	-	-	-	-	-
Total Spending Profile					-	-	-

Deloitte.



Calgary Public Library Board

Report to the Audit and Finance Committee on the 2022 audit

March 14, 2023



Deloitte LLP 700, 850 2 Street SW Calgary, AB T2P 0R8 Canada

Tel: 403-267-1700 Fax: 403-213-5791 www.deloitte.ca

March 7, 2023

The Audit and Finance Committee of Calgary Public Library Board

Report on audited annual financial statements

Dear Audit and Finance Committee members:

We are pleased to submit this report on the status of our audit of Calgary Public Library Board (the "Library") for the 2022 fiscal year. This report summarizes the scope of our audit, our findings to date and reviews certain other matters that we believe to be of interest to you. We are continuing to work with management to complete the outstanding matters summarized on page 1 of this report.

As agreed in our master services agreement ("MSA") dated October 16, 2018, and any previous confirmation letters issued pursuant to the MSA and all as may be updated or amended from time to time, we have performed an audit of the financial statements of Calgary Public Library Board as of and for the year ended December 31, 2022 in accordance with Canadian generally accepted auditing standards ("Canadian GAAS") and expect to issue our audit report thereon dated March 22, 2023.

Our audit has been conducted in accordance with the audit plan that was presented to the Audit and Finance Committee at the meeting on October 19, 2022.

This report is intended solely for the information and use of the Audit and Finance Committee, management and others within the Library and is not intended to be, and should not be, used by anyone other than these specified parties.

We, at Deloitte, work as one team to provide you with relevant business insights to assist you improving your current practices.

We look forward to discussing this report summarizing the outcome of our audit with you and answering any questions you may have.

Yours truly,

Chartered Professional Accountants

Deloitte LLP

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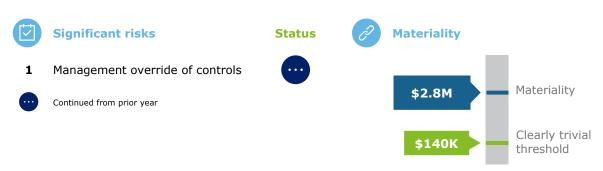
Executive summary



Audit scope and terms of engagement

We have been asked to perform an audit of the Library's financial statements (the "financial statements") in accordance with Canadian public sector accounting standards ("PSAS") as at and for the year ended December 31, 2022. Our audit was conducted in accordance with Canadian generally accepted auditing standards ("Canadian GAAS").

The terms and conditions of our engagement are described in the MSA. We have developed appropriate safeguards and procedures to eliminate threats to our independence or to reduce them to an acceptable level.



Materiality levels are determined on the basis of expenses. Our materiality for the year ended December 31, 2022 was \$2,800,000 (2021, \$2,015,000).

Outstanding Matters & Next Steps	
Receipt of signed management representation letter	Receipt of subsequent events update
Completion of minor documentation items	



Audit fees

Audit fees	2022	2021
Financial statement audit	\$41,310	\$40,900
Total fees	\$41,310	\$40,900



Going concern

Management has completed its assessment of the ability of the Library to continue as a going concern and in making its assessment did not identify any material uncertainties related to events or conditions that may cast significant doubt upon the Library's ability to continue as a going concern. We believe this disclosure is adequate.



Results

No restrictions have been placed on the scope of our audit. We intend to issue an unmodified audit report on the financial statements of the Library for the year ended December 31, 2022 once the outstanding items referred to above are completed satisfactorily and the financial statements are approved by the Calgary Public Library Board.

Significant audit risks

The significant audit risks identified as part of our risk assessment, together with our planned responses and conclusions, are described below.

Significant risk dashboard

Legend



Significant level of management judgement involved



Minimal/No management judgement involved

D+I: Planned testing of the design and implementation of key controls

OE: Planned testing of the operating effectiveness of key controls

Significant risks

Management override of controls

Fraud risk	Control testing planned	Level of management judgement	Specialist, expert or innovation involvement
Yes	D+I		Not applicable

Analysis of risk

- Under Canadian Auditing Standards, it is the responsibility of management, with the oversight of those charged with governance, to place a strong emphasis on fraud prevention and detection. Oversight by those charged with governance includes considering the potential for override of controls or other inappropriate influence over the financial reporting process.
- Management override of controls is present in all entities. It is a risk of material misstatement resulting from fraud and therefore is considered as a significant risk.

Audit response and results

- We discussed fraud with management.
- We asked the Audit and Finance Committee for their views about the risk of fraud, whether they know of any actual or suspected fraud affecting the Library and their role in the oversight of management's antifraud programs.
- We tested a sample of journal entries made throughout the period, and adjustments made at the end of the reporting period.
- We evaluated the business rationale for any significant unusual transactions.
- We determined whether the judgements and decisions related to management estimates indicate a possible bias, which included performing retrospective analysis of significant accounting estimates
- We obtained sufficient audit evidence to conclude that there were no material misstatements.

Significant accounting policies, judgements and estimates

The accounting policies described below are those that are most important and representative of the Library's financial condition and financial performance.

In the course of our audit of the financial statements, we considered the qualitative aspects of the financial reporting process, including items that have a significant impact on the relevance, reliability, comparability and understandability of the information included in the financial statements.

We believe the Library's significant accounting policies to be:

- The estimates of useful lives and potential impairment of tangible capital assets
- Accrued liabilities

In our judgement, the significant accounting practices and policies, selected and applied by management are, in all material respects, acceptable under PSAS and are appropriate to the particular circumstances of the Library.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgements. These judgements are normally based on knowledge and experience about past and current events, assumptions about future events and interpretations of the financial reporting standards.

During the year ended December 31, 2022, management advised us that there were no significant changes in accounting estimates or in judgements relating to the application of the accounting policies.

Appendix 1 – Communication requirements and other reportable matters

The table below summarizes our communication requirements under Canadian GAAS and other communications that we believe would help us achieve an effective audit.

Re	quired communication	Refer to this report or document described below
Au	dit Service Plan	
1.	Our responsibilities under Canadian GAAS, including forming and expressing an opinion on the financial statements	Master services agreement dated October 16, 2018.
2.	 An overview of the overall audit strategy, addressing: a. Timing of the audit b. Significant risks, including fraud risks c. Nature and extent of specialized skill or knowledge needed to perform the planned audit procedures related to significant risk 	Audit plan communicated on October 19, 2022.
3.	Significant transactions outside of the normal course of business, including related party transactions	Related party transactions are disclosed in Note 12 to the financial statements.
En	quiries of those charged with governance	
4.	How those charged with governance exercise oversight over management's process for identifying and responding to the risk of fraud and the internal control that management has established to mitigate these risks	Significant audit risks section of this report.
5.	Any known suspected or alleged fraud affecting the Library	We are not aware of any actual or suspected fraudulent events.
6.	Whether the Library is in compliance with laws and regulations	Our limited procedures did not identify any areas of material noncompliance with laws and regulations by the Library.
Ye	ar End Communication	
7.	Fraud or possible fraud identified through the audit process	We are not aware of any fraudulent events.
8.	Significant accounting policies, practices, unusual transactions, and our related conclusions	Significant accounting policies, judgements and estimates section of this document.

Required communication	Refer to this report or document described below
9. Alternative treatments for accounting policies practices that have been discussed with mana during the current audit period	
10. Matters related to going concern	Executive summary section of this report.
11. Consultation with other accountants	Management has informed us that the Library has not consulted with other accountants about auditing or accounting matters.
12. Management judgements and accounting estir	mates Significant accounting policies, judgements and estimates section of this report.
13. Significant difficulties, if any, encountered dur audit	ing the During the course of our audit, we did not encounter any significant difficulties in dealing with management related to the performance of the audit.
14. Material written communications between management and us, including management representation letters	Draft management representation letter.
15. Circumstances that affect the form and the co the auditor's report	ntent of Draft auditor's report.
16. Other matters that are significant to the overs the financial reporting process	sight of No other matters to report.
17. Modifications to our opinion(s)	Executive summary section of this report.
18. Other significant matters discussed with mana	gement Significant audit risks section of this report.
19. Matters involving noncompliance with laws and regulations that came to our attention, unless prohibited by law or regulation, including illegal possibly illegal acts that come to our attention	noncompliance with laws and regulations or illegal al or acts.
20. Litigation	No litigation matters to report.
21. Significant deficiencies in internal control, if ar identified by us in the conduct of the audit of the financial statements	
22. Uncorrected misstatements and disclosure iter	ns In accordance with Canadian GAAS, we request that all misstatements be corrected.
	No uncorrected misstatements and uncorrected disclosure items to report.
23. Changes to the audit plan	The audit was conducted in accordance with our audit plan, which was communicated to the Audit and Finance Committee on October 19, 2022. We confirm that there have been no amendments to the audit scope and approach communicated in the audit plan.

Refer to this report or document described below
We do not have any concerns regarding management's competency and integrity.
During the current audit, we did not have any disagreements with management.
At the date of finalizing this report, we are not aware of any significant post-balance sheet events.
Not applicable.
No other significant matters to report.

Appendix 2 – Draft version of our auditor's report

Our report on the financial statements is expected to be in the following form. However, the final form may need to be adjusted to reflect the final results of our audit.

Independent Auditor's Report

To the Members of Calgary Public Library Board

Opinion

We have audited the financial statements of Calgary Public Library Board (the "Library") which comprise the statement of financial position as at December 31, 2022 and the statements of operations and accumulated surplus, cash flows and change in net financial assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Library as at December 31, 2022 and the results of its operations, its cash flows and change in its net financial assets for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Library in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Library's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Library or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Library's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Library's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Library to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants March 22, 2023

Appendix 3 – Draft independence letter

March 22, 2023

The Audit and Finance Committee Calgary Public Library Board

Dear Audit and Finance Committee members:

We have been engaged to audit the financial statements of Calgary Public Library Board (the "Library") for the year ended December 31, 2022.

You have requested that we communicate in writing with you regarding our compliance with relevant ethical requirements regarding independence as well as all relationships and other matters between the Library, our Firm and network firms that, in our professional judgement, may reasonably be thought to bear on our independence. You have also requested us to communicate the related safeguards that have been applied to eliminate identified threats to independence or reduce them to an acceptable level.

In determining which relationships to report, we have considered relevant rules and related interpretations prescribed by the appropriate provincial regulator/ordre and applicable legislation, covering such matters as:

- a) Holding a financial interest, either directly or indirectly, in a client.
- b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client.
- c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client.
- d) Economic dependence on a client.
- e) Provision of services in addition to the audit engagement.

We confirm to you that the engagement team and others in the firm as appropriate, the firm and, when applicable, network firms have complied with relevant ethical requirements regarding independence.

We have prepared the following comments to facilitate our discussion with you regarding independence matters arising since March 29, 2022, the date of our last letter.

We are not aware of any relationships between the Member Firms of Deloitte Touche Tohmatsu Limited and their respective affiliates (collectively, the "Deloitte Entities") and the Library and its affiliates, or persons in financial reporting oversight roles at the Library and its affiliates, that, in our professional judgement, may reasonably be thought to bear on independence, that have occurred from March 30, 2022 to March 22, 2023.

The total fees charged to the Library for audit services were \$44,202 (2021, \$43,763) during the period covered by the financial statements.

We hereby confirm that we are independent with respect to the Library in accordance with the Rules of Professional Conduct of the applicable Chartered Professional Accountants of Alberta as of March 22, 2023.

This letter is intended solely for the information and use of the Audit and Finance Committee, management and others within the Library and is not intended to be and should not be used for any other purposes.

Yours truly,

Chartered Professional Accountants March 22, 2023

Appendix 4 – Draft management representation letter

Calgary Public Library

March 22, 2022

Deloitte LLP 700, 850 – 2 Street SW Calgary, AB T2P 0R8

Subject: Financial statements of The Calgary Public Library Board (the "Library") for the year ended December 31, 2022

Dear Sir and Madam:

This representation letter is provided in connection with the audit by Deloitte LLP ("Deloitte" or "you") of the financial statements of The Calgary Public Library Board (the "Library" or "we" or "us") for the year ended December 31, 2022, the notes to the financial statements and a summary of significant accounting policies (the "Financial Statements") for the purpose of expressing an opinion as to whether the Financial Statements present fairly, in all material respects, the financial position, results of operations, and cash flows of the Library in accordance with Public Sector Accounting Standards ("PSAS").

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial statements

- 1. We have fulfilled our responsibilities as set out in the terms of the engagement letter between the Library and Deloitte dated October 19, 2022 for the preparation of the Financial Statements in accordance with PSAS. In particular, the Financial Statements are fairly presented, in all material respects, and present the financial position of the Library as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with PSAS.
- 2. Significant assumptions used in making estimates, including those measured at fair value, are reasonable.

In preparing the Financial Statements in accordance with PSAS, management makes judgements and assumptions about the future and uses estimates. The completeness and appropriateness of the disclosures related to estimates are in accordance with PSAS. The Library has appropriately disclosed in the Financial Statements the nature of measurement uncertainties that are material, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the Financial Statements.

The measurement methods, including the related assumptions and models, used in determining the estimates, including fair value, were appropriate, reasonable and consistently applied in accordance with PSAS and appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the entity. No events have occurred subsequent to December 31, 2022, that require adjustment to the estimates and disclosures included in the Financial Statements.

- 3. We have determined that the Financial Statements are complete as of the date of this letter, as this is the date when there are no changes to the Financial Statements (including disclosures) planned or expected. The Financial Statements have been approved in accordance with our process to finalize financial statements.
- 4. We have completed our review of events after December 31, 2022, and up to the date of this letter. All events subsequent to the date of the Financial Statements and for which PSAS requires adjustment or disclosure have been adjusted or disclosed. Accounting estimates and disclosures included in the Financial Statements that are impacted by subsequent events have been appropriately adjusted.
- 5. The Financial Statements are free of material errors and omissions.

Internal Controls

- 6. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.
- 7. We have disclosed to you all known deficiencies in the design or operation of internal control over financial reporting identified as part of our evaluation, including separately disclosing to you all such deficiencies that we believe to be significant deficiencies in internal control over financial reporting.

Information provided

- 8. We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation of the Financial Statements, such as records, documentation and other matters.
 - b. All relevant information as well as additional information that you have requested from us for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence; and,

- d. All minutes of the meetings of directors and committees of directors, or summaries of actions of recent meetings for which minutes have not yet been prepared. All significant board and committee actions are included in the summaries.
- 9. We have disclosed to you the results of our assessment of the risk that the Financial Statements may be materially misstated as a result of fraud.
- 10. We have no knowledge of any information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the Financial Statements.
- 11. We have no knowledge of any information in relation to allegations of actual, suspected or alleged fraud, or illegal or suspected illegal acts affecting the Library.
- 12. There have been no communications with regulatory agencies concerning actual or potential noncompliance with or deficiencies in financial reporting practices. There are also no known or possible instances of noncompliance with the requirements of regulatory or governmental authorities.
- 13. We have disclosed to you the identities of the entity's related parties and all the related party relationships and transactions of which we are aware, including guarantees, non-monetary transactions and transactions for no consideration and participation in a defined benefit plan that shares risks between group entities.

Independence matters

For purposes of the following paragraphs, "Deloitte" shall mean Deloitte LLP and Deloitte Touche Tohmatsu Limited, including related member firms and affiliates.

- 14. Prior to the Library having any substantive employment conversations with a former or current Deloitte engagement team member, the Library has held discussions with Deloitte and obtained approval from the Audit and Finance Committee.
- 15. We have ensured that all non-audit services provided to the Library have been pre-approved by the Audit Committee. Further, we have adhered to all regulatory requirements regarding the provision of non-audit services by Deloitte to the Library in accordance with applicable laws, regulations and rules that apply to the Library, including the Audit and Finance Committee approval requirements.
- 16. We have ensured that all services performed by Deloitte with respect to this engagement have been preapproved by the Audit and Finance Committee in accordance with its established approval policies and procedures.

Other matters

17. We have disclosed to you all the documents that we expect to issue that may comprise other information, in the context of CAS 720, The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements.

Except where otherwise stated below, immaterial matters less than \$140,000 collectively are not considered to be exceptions that require disclosure for the purpose of the following representations. This amount is not necessarily indicative of amounts that would require adjustment to or disclosure in the Financial Statements.

- 18. The Library has identified all related parties in accordance with Section PS 2200, Related Party Disclosures ("PS 2200"). Management has made the appropriate disclosures with respect to its related party transactions in accordance with PS 2200. This assessment is based on all relevant factors, including those listed in paragraph 16 of PS 2200.
- 19. There are no instances of identified or suspected noncompliance with laws and regulations.
- 20. We have disclosed to you all known, actual or possible litigation and claims, whether or not they have been discussed with our lawyers, whose effects should be considered when preparing the Financial Statements. As appropriate, these items have been disclosed and accounted for in the Financial Statements in accordance with PSAS.
- 21. All events subsequent to the date of the Financial Statements and for which PSAS requires adjustment or disclosure have been adjusted or disclosed. Accounting estimates and disclosures included in the Financial Statements that are impacted by subsequent events have been appropriately adjusted.
- 22. We have disclosed to you all liabilities, provisions, contingent liabilities and contingent assets, including those associated with guarantees, whether written or oral, and they are appropriately reflected in the Financial Statements. As appropriate, these items have been disclosed and accounted for in the Financial Statements in accordance with PSAS.
- 23. We have disclosed to you, and the Library has complied with all aspects of contractual agreements that could have a material effect on the Financial Statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
- 24. The Library has satisfactory title to and control over all assets, and there are no liens or encumbrances on such assets. We have disclosed to you and in the Financial Statements all assets that have been pledged as collateral.
- 25. The Library's accounting policies and their method of application have been applied on a basis consistent with that of the audited Financial Statements as of and for the year ended December 31, 2021.

Fair Value

- 26. With regard to the fair value measurements and disclosures of certain assets and liabilities, we believe that:
 - a. The completeness and adequacy of the disclosures related to fair values are in accordance with Public Sector Accounting Standards ("PSAS").
 - b. No events have occurred subsequent to December 31, 2022, that require adjustment to the fair value measurements and disclosures included in the Financial Statements; and
 - c. They appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the Library when relevant to the use of fair value measurements or disclosures.

Management's Responsibilities

27. All transactions and events have been carried out in accordance with law, regulation or other authority.

Assets

28. The Library has recognized all assets, which do not fall within the scope of other standards, only when the requirements in CPA Canada Public Sector Accounting Handbook Section PS 3210, Assets ("Section PS 3210") have been met. For those assets, which do not meet the recognition criteria in PS 3210, the Library has appropriately disclosed details of such unrecognized assets in accordance with PS 3210, if applicable. There was no impact to the Library's financial statements upon adoption of PS 3210.

Contingent Assets

29. The Library has identified all contingent assets in accordance with CPA Canada Public Sector Accounting Handbook Section PS 3320, *Contingent Assets* and when the occurrence of the confirming future event is considered likely, appropriately disclosed these items in the financial statements,

Contractual Rights

30. The Library has identified and disclosed all contractual rights that will result in both an asset and revenue in the future, once the terms of the contract or agreement are met, in accordance with CPA Canada Public Sector Accounting Handbook Section PS 3380, *Contractual Rights*.

Inter-Entity Transactions

- 31. The Library has recognized all transactions involving the transfer of assets or liabilities between public sector entities in accordance with CPA Canada Public Sector Accounting Handbook Section PS 3420, *Inter-entity transactions* ("PS 3420").
- 32. The Library has recorded all inter-entity transactions properly at exchange or carrying amount in accordance with the criteria in PS 3420.14-.22.
- 33. The Library has disclosed all inter-entity transactions in the notes to the Financial Statements whether or not such transactions are recognized in the financial statements, in accordance with Section PS 2200, Related Party Disclosures as shown in Note 12 of the financial statements.

Accounts receivable

34. The Library is responsible for determining the appropriate carrying amount of accounts receivable, as well as estimates used to determine such amounts. Management believes that the carrying amounts recorded and disclosed are appropriate.

Employee Future Benefits

35. Employee future benefit costs, assets, and obligations, as applicable, have been properly recorded and adequately disclosed in the Financial Statements including those arising under defined benefit and defined contribution plans as well as termination arrangements. We believe that the actuarial assumptions and methods used to measure defined benefit plan assets, obligations and costs for financial statement purposes are appropriate in the circumstances. Actuarial gains or losses have been amortized to the liability and the related expense in a systematic and rational manner over the expected average remaining service life of the related employee group.

- 36. We have disclosed to you any intentions of terminating any of our pension plans or withdrawing from the multi-employer plan that could result in an effective termination or reportable event for any of the plans. We have disclosed to you any occurrences that could result in the termination of any of our pension or multi-employer plans to which we contribute.
- 37. We are unable to determine the possibility of a withdrawal liability in a multi-employer benefit plan.

Government Transfers

- 38. We have disclosed to you all correspondence relating to government transfers that the Library has had with the funding body.
- 39. We have assessed the eligibility criteria and determined that the Library is an eligible recipient for the government transfers received.
- 40. We have assessed the stipulations attached with the funding and have recognized the revenue in accordance with meeting the stipulations required.
- 41. All government transfers that have been recorded as deferred revenue give rise to an obligation that meets the definition of a liability. Those liabilities have been properly recorded and presented in the Financial Statements.

Tangible Capital Assets

- 42. Tangible capital assets have been recorded properly and consistently according to the standards in CPA Canada Public Sector Accounting Handbook Section PS 3150, *Tangible Capital Assets*.
- 43. Contributed tangible capital assets have been appropriately recorded at fair value, unless fair value is not reasonably determinable, and in such case, have been recorded at an appropriate nominal value. All contributed tangible capital assets have been appropriately disclosed.
- 44. We have assessed the useful lives of tangible capital assets and have determined all tangible capital assets contribute to the Library's ability to provide goods and services and therefore do not require a write down.

Adjusting journal entries

45. We have reviewed the year-end adjusting entries and acknowledge our responsibility for their accuracy.

Section 3260, Liability for contaminated sites

46. The Library was required to adopt Section 3260, Liability for contaminated sites effective for fiscal 2015 for the purposes of the public sector accounting standards ("PSAS"). Management has determined the impact of this standard on the year-end financial statements, and based on management's assessment, there is no impact on the adjustments for the December 31, 2022 financial statements of this standard.

Communicating a Threshold Amount

47. We understand that the threshold used for accumulating misstatements identified during the year was \$140,000 for purposes of Appendix A. Misstatements below this amount have been considered clearly trivial.

Accumu	lated	Surp	lus

48. Reserves and surplus accounts are correctly recorded and all transactions comply with the purposes approved according to relevant legislation and agreements with relevant government authorities.

Yours truly,

The Calgary Public Library Board

Chae Jun, Controller

Sarah Meilleur, Chief Executive Officer

APPENDIX A

Summary of uncorrected financial statement misstatements

The Calgary Public Library Board Year ended December 31, 2022

No uncorrected misstatements or disclosure deficiencies identified.





Independent Auditor's Report

To the Members of Calgary Public Library Board

Opinion

We have audited the financial statements of Calgary Public Library Board (the "Library") which comprise the statement of financial position as at December 31, 2022 and the statements of operations and accumulated surplus, cash flows and change in net financial assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Library as at December 31, 2022 and the results of its operations, its cash flows and change in its net financial assets for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Library in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Library's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Library or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Library's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Library's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Library to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants March 14, 2023

THE CALGARY PUBLIC LIBRARY BOARD Statement of Financial Position As at December 31,

On behalf of the Board

	2022 \$	2021 \$
FINANCIAL ASSETS		
Cash	11,672,719	10,403,409
Accounts receivable (Note 3)	771,703	601,120
	12,444,422	11,004,529
LIABILITIES		
Accounts payable and accrued liabilities (Note 4)	4,357,728	4,280,249
Deferred revenues and tenant deposits (Note 5)	669,973	380,130
	5,027,701	4,660,379
NET FINANCIAL ASSETS	7,416,721	6,344,150
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 6, Schedule 1)	41,023,428	43,052,485
Inventory	30,099	53,645
Prepaid assets (Note 7)	2,520,521	2,414,020
	43,574,048	45,520,150
ACCUMULATED SURPLUS (Note 8)	50,990,769	51,864,300

The notes to the Financial Statements are an integral part of the Financial Statements.

Member
 Member

THE CALGARY PUBLIC LIBRARY BOARD Statement of Operations and Accumulated Surplus As at December 31,

		2022 Budget	2022 Actual	2021 Actual
		Budget \$	Actual \$	Actual \$
REVENUES				
NEVER OF	City of Calgary (Schedule 2)	53,877,720	55,236,356	53,649,902
	Province of Alberta (Schedule 2)	6,864,917	6,888,111	6,864,917
	Rental revenue	208,530	156,000	103,350
	Interest and other revenue	733,087	1,342,225	886,310
	Grants and sponsorships (Note 14)	2,727,816	2,314,195	1,545,048
		64,412,070	65,936,887	63,049,527
		0.1, 122,07.0	35,555,657	00,0 .3,02
EXPENSES		40.744.557	40.700.257	77 705 000
	Salaries and employee benefits Collections	40,341,557	40,398,253 7,280,074	37,325,990
		6,683,171 5,755,474	5,413,927	7,453,944 4,998,494
	Building and equipment		5,413,927 9.603.265	8,331,575
	General operating Amortization	10,346,572 6,134,699	9,603,265 6,033,245	6,239,629
	Occupancy costs	1,788,615	1,765,748	1,703,768
	Occupancy costs	1,760,013	1,705,746	1,/03,/06
		71,050,088	70,494,512	66,053,400
DEFICIENC	CY OF REVENUES OVER EXPENSES - BEFORE OTHER	(6,638,018)	(4,557,625)	(3,003,873)
OTHER				
	Write off of tangible capital assets	_	(175,220)	(7,293)
	Government transfers for capital (Schedule 2)	4,293,000	3,859,314	2,165,988
DEFICIENC	CY OF REVENUES OVER EXPENSES	(2,345,018)	(873,531)	(845,178)
ACCUMUL	ATED SURPLUS, beginning of year (Note 8)	52,109,792	51,864,300	52,709,478
ACCUMUL	ATED SURPLUS, end of year (Note 8)	49,764,774	50,990,769	51,864,300

The notes to the Financial Statements are an integral part of the Financial Statements.

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THE CALGARY PUBLIC LIBRARY BOARD Statement of Cash Flows As at December 31,

	2022 \$	2021 \$
OPERATING		
Deficiency of revenues over expenses	(873,531)	(845,178)
Non-cash charges to operations Amortization	6,033,245	6,239,629
Write off of tangible capital assets	175,220	7,293
Change in non-cash working capital (Note 11)	113,784	(227,903)
Cash provided by operating transactions	5,448,718	5,173,841
CAPITAL Acquisition of tangible capital assets (Schedule 1)	(4,179,408)	(4,002,837)
Cash used in capital transactions	(4,179,408)	(4,002,837)
INCREASE IN CASH	1,269,310	1,171,004
CASH, beginning of year	10,403,409	9,232,405
CASH, end of year	11,672,719	10,403,409

THE CALGARY PUBLIC LIBRARY BOARD Statement of Change in Net Financial Assets As at December 31,

	2022 \$	2021 \$
DEFICIENCY OF REVENUES OVER EXPENSES	(873,531)	(845,178)
Amortization of tangible capital assets Change in inventory, prepaid assets and deposits Acquisition of tangible capital assets (Schedule 1) Write off of tangible capital assets	6,033,245 (82,955) (4,179,408) 175,220	6,239,629 (109,335) (4,002,837) 7,293
INCREASE IN NET FINANCIAL ASSETS	1,072,571	1,289,572
NET FINANCIAL ASSETS, beginning of year	6,344,150	5,054,578
NET FINANCIAL ASSETS, end of year	7,416,721	6,344,150

THE CALGARY PUBLIC LIBRARY BOARD Schedule of Tangible Capital Assets Schedule 1 As at December 31,

	Materials	Building	IT Equipment	Furniture & Equipment	Work In Progress	Vehicles	2022 \$	2021 \$
COST								
BALANCE, BEGINNING OF YEAR Acquisition of tangible capital assets Asset transfers Disposal of tangible capital assets	30,211,012 1,595,943 - (4,133,947)*	49,732,974 46,256 956,829 (659,528)	4,251,511 - - (221,646)*	3,637,452 - - (7,544)*	265,455 2,523,512 (956,829)	1,799,336 13,697 - (31,417)	89,897,740 4,179,408 - (5,054,082)	89,884,105 4,002,837 - (3,989,202)
BALANCE, END OF YEAR	27,673,008	50,076,531	4,029,865	3,629,908	1,832,138	1,781,616	89,023,066	89,897,740
ACCUMULATED AMORTIZATION								
BALANCE, BEGINNING OF YEAR Annual amortization Accumulated amortization on disposals	16,710,085 3,005,143 (4,133,947)*	24,313,954 2,297,494 (484,308)	2,578,910 322,906 (221,646)*	2,074,792 219,427 (7,544)*	-	1,167,514 188,275 (31,417)	46,845,255 6,033,245 (4,878,862)	44,587,535 6,239,629 (3,981,909)
BALANCE, END OF YEAR	15,581,281	26,127,140	2,680,170	2,286,675	-	1,324,372	47,999,638	46,845,255
NET BOOK VALUE, DECEMBER 31, 2022	12,091,727	23,949,391	1,349,695	1,343,233	1,832,138	457,244	41,023,428	43,052,485
Net book value, December 31, 2021	13,500,927	25,419,020	1,672,601	1,562,660	265,455	631,822	43,052,485	

^{*} At the end of the life assumed all assets were disposed.

THE CALGARY PUBLIC LIBRARY BOARD Schedule of Government Transfers Schedule 2 As at December 31,

	2022 Budget \$	2022 Actual \$	2021 Actual \$
TRANSFERS FOR OPERATING:			
City of Calgary	53,877,720	55,196,561	53,627,720
City of Calgary Insurance Proceeds	-	39,795	22,182
Provincial Government	6,864,917	6,888,111	6,864,917
	60,742,637	62,124,467	60,514,819
TRANSFERS FOR CAPITAL:			
City of Calgary	4,293,000	3,859,314	2,165,988
	4,293,000	3,859,314	2,165,988
TOTAL GOVERNMENT TRANSFERS	65,035,637	65,983,781	62,680,807

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31,

The Calgary Public Library Board (the "Library") is constituted under the Libraries Act of the Province of Alberta. It operates a system of twenty community libraries and the Central Library in The City of Calgary ("The City").

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared by management in accordance with Canadian Public Sector Accounting Standards ("PSAS"). The Library's significant accounting policies are:

Basis of Accounting

- i) The financial statements are prepared using the accrual basis of accounting.
- ii) Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues and are reliably measured and reasonably estimated.
- iii) Donated materials and services are recognized at fair value when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the organization's operations and would otherwise have been purchased.
- iv) A substantial number of volunteers have made significant contributions of their time to the Library's program and supporting services. The value of this contributed time is not reflected in these financial statements.
- v) Insurance proceeds are recognized when received.
- vi) Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. These funds are accounted for as deferred revenue until used for the purpose specified. Revenue is recognized in the period when the related expenses are incurred, and any eligibility criteria have been met and a reasonable estimate of the amounts can be made.
- vii) Expenses are recognized in the period the goods and services are acquired and a liability is incurred, or transfers are due.
- viii) Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates.

Financial Instruments

The Library's financial instruments, which include cash, accounts receivable, accounts payable and accrued liabilities, approximate their fair values due to their short-term nature and are recorded at cost. At December 31, 2022 and 2021 the Library had no outstanding debt. Management believes the Library's exposure to credit, interest or liquidity risk is not significant.

Use of Estimates

The preparation of financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the reporting period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates. Significant estimates include the estimates of useful lives and potential impairment of tangible capital assets, and accrued liabilities.

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

Deferred Revenue

Deferred revenue represents amounts received from third parties for a specified operating purpose which have yet to be performed. These amounts include funding for long term projects, which are restricted until used for the purpose intended. Deferred revenues are recognized as revenue in the period when the related expenses are incurred to reflect the completion of the Library's performance obligations.

Accounting Standards Effective Beginning On Or After April 1, 2022

Asset Retirement Obligations PS 3280 establishes guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use.

Accounting Standards Effective Beginning On Or After April 1, 2023

Revenue PS 3400 establishes standards on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payor.

The Library continues to assess the impact of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

Accumulated Surplus/Deficit

Accumulated surplus/deficit represents the Library's net economic resources. An accumulated surplus is an amount by which all assets (financial and non-financial) exceed liabilities and this indicates that the Library has net resources that can be used to provide future services. An accumulated deficit means that liabilities are greater than assets.

The accumulated surplus includes funds which have been designated for the replacement and upgrade of the Library's automated systems, facility refurbishment and major renovations, and the construction of new facilities. Note 8 provides a listing of all restricted and unrestricted amounts that form the accumulated surplus.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development, or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over the estimated useful life as follows:

Major Category	Years
Materials	10
Buildings	
Buildings	10 - 75
Leasehold Improvements	5 - 25
Furniture and Equipment	5 - 25
IT Equipment	5 - 10
Vehicles	7 - 10

The Library does not hold title to any of the buildings that are included in the Schedule of Tangible Capital Assets. Legal title of these buildings is held with The City. The Library is the steward of the assets and has control over these assets. As such the value of these assets are recorded in these financial statements in the Library's role as steward, but not as title owner.

Work in progress represents assets which are not available for use and therefore are not subject to amortization.

Tangible capital assets are written down when there is permanent and measurable impairment in value and the tangible capital asset still exists.

Cultural and Historical Tangible Capital Assets

The local history collection is not recorded as a tangible capital asset but is disclosed (Note 6).

Inventory

Supplies held for consumption are recorded at cost.

Prepaid assets

Subscriptions, software annual maintenance contracts, and occupancy are recorded as prepaid assets and are recognized as an expense over the corresponding period of the service provided (Note 7).

Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred. During the years ended December 31, 2022 and 2021 the Library did not have any leases which were classified as capital leases.

2. CREDIT FACILITY

The Library has an unsecured revolving credit facility to a maximum of \$4,500,000. The interest rate on the facility fluctuates with the Royal Bank's prime rate per annum. The purpose of the credit facility is to ensure cash flow timing does not affect normal Library operations. It is not intended to be used as debt to fund additional Library operations. At December 31, 2022, the drawn balance of the facility was \$nil (2021 – \$nil).

3. ACCOUNTS RECEIVABLE

Accounts receivable are comprised of the following:

	2022 \$	2021 \$
City of Calgary - Life Cycle Recovery GST recovery Other	101,245 188,359 482,099	169,693 199,730 231,697
TOTAL	771,703	601,120

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are comprised of the following:

		2022 \$	2021
Non-salary payables & accruals Salary payables & accruals Employee vacation pay accrual Benefit & salary deduction payables, net		1,042,001 954,195 1,372,931 988,601	984,430 1,268,119 1,280,890 746,810
TOTAL		4,357,728	4,280,249

5. DEFERRED REVENUES AND TENANT DEPOSITS

Deferred revenues are comprised of the funds noted below, the use of which are externally restricted. These funds are recognized as revenue in the period they are used for the purpose specified.

	December 31 2021 \$	Inflows \$	Revenue Recognized	December 31 2022 \$
Program & Project agreements Tenant Deposits	352,015 28,115	556,043 149,335	(288,656) (126,879)	619,402 50,571
ENDING BALANCE	380,130	705,378	(415,535)	669,973

6. TANGIBLE CAPITAL ASSETS (Schedule 1)

Category (Net Book Value)	2022 \$	2021 \$
Materials Buildings IT equipment Furniture and equipment Work in progress Vehicles	12,091,727 23,949,391 1,349,695 1,343,233 1,832,138 457,244	13,500,927 25,419,020 1,672,601 1,562,660 265,455 631,822
TOTAL	41,023,428	43,052,485

The Library maintains a local history collection that is on permanent display on the fourth floor of the Central Library. The collection is not recorded as a tangible capital asset in the financial statements and is not amortized.

7. PREPAID ASSETS

Prepaid assets are comprised of the following:

	2022 \$	2021 \$
Occupancy Software annual maintenance contracts Subscriptions Insurance General	82,091 1,500,939 789,560 127,561 20,370	81,471 1,614,445 695,203 - 22,901
TOTAL	2,520,521	2,414,020

8. ACCUMULATED SURPLUS

Accumulated surplus consists of designated amounts and equity in tangible capital assets as follows:

	2022 \$	2021 \$
Operating fund Capital fund Equity in tangible capital assets	6,976,854 2,990,487 41,023,428	6,818,265 1,993,550 43,052,485
TOTAL	50,990,769	51,864,300

Equity in tangible capital assets consists of the following items:

		2022 \$	2021 \$
Tangible capital assets (Schedule 1) Accumulated amortization (Schedule 1)		89,023,066 (47,999,638)	89,897,740 (46,845,255)
TOTAL		41,023,428	43,052,485

Included in the operating fund is \$3,000,000 (2021 - \$3,000,000) restricted specifically for unplanned operating expenses.

9. CONTRACTUAL RIGHTS

Contractual rights are rights of the Library to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met. Currently contractual rights are comprised solely of the rental revenue for space at the Central Library.

Estimated amounts that will be received or receivable in future years are as follows:

Rental Revenue	Year
\$	\$
156,000	2023
26,000	2024
182,000	TOTAL

10. COMMITMENTS

Minimum lease payments for Library locations and equipment under operating leases in future years are as follows:

Year	\$
2023	1,048,000
2024	823,000
2025	836,000
2026	646,000
2027	523,000
2028 and thereafter	245,000
TOTAL	4,121,000

The Library has an electricity load pricing contract ending December 31, 2026 and a natural gas block purchase agreement ending October 31, 2026. The Library also has a fixed price thermal energy services agreement for the Central Library with a term ending August 31, 2037. All three of these contracts guarantee energy prices but do not commit the Library to any fixed payments. Capital commitments for major capital projects amount to \$319,319 at December 31, 2022 (\$757,349 at December 31, 2021). Operating commitments amount to \$748,377 at December 31, 2022 (\$834,911 at December 31, 2021).

11. CHANGE IN NON-CASH WORKING CAPITAL

The change in non-cash working capital consists of the following items:

	2022	2021	Change
	\$	\$	\$
Accounts receivable Accounts payable and accrued liabilities Deferred revenues and tenant deposits Inventory Prepaid assets	771,703	601,120	(170,583)
	4,357,728	4,280,249	77,479
	669,973	380,130	289,843
	30,099	53,645	23,546
	2,520,521	2,414,020	(106,501)
CHANGE IN NON-CASH WORKING CAPITAL			113,784

12. INTER-ENTITY TRANSACTIONS

Related party transactions include transactions with entities outside the reporting entity where a member of the Library's key management personnel, or their spouse or dependent, is key management personnel of the counterparty to a transaction with the Library. As key management personnel, they govern or share the power for the ongoing financial and operating decisions of that counterparty.

Key management personnel of the Library are those individuals having authority and responsibility for planning, directing and controlling the activities of the Library. The Library has controls in place to ensure that the key management personnel do not enter into transactions with related parties. For 2022 there were no material transactions between related parties which occurred at a value different from that which would have been arrived at if the parties were unrelated.

- ii) The Library conducts transactions with The City in the normal course of business: Accounts receivable from The City at December 31, 2022 are \$114,651 (2021 \$180,801), prepaid assets are \$289,720 (2021 \$nil), and accounts payable and accrued liabilities are \$22,662 (2021 \$91,979).
- The City provides space to the Library under many occupancy models. During 2016 a new arrangement for managing multi use facilities constructed by The City came into existence. The Library will be included in many of these new complexes. Prior to occupancy, The City (The Landlord) enters into a leasing agreement with a third party (Lessee) to manage and operate the entire facility. The Lessee then enters into a separate sublease, as the Sublandlord, with each of the occupants. The sublease contains many of the obligations of the original lease. One of these conditions is the establishment of an asset management reserve fund to be held and used by the Sublandlord to meet common area systems life cycle maintenance needs as they arise. As the reserve is depleted each tenant will be required to replenish the fund, using the formula of the original contribution. The Library (Sublessee) expenses the amount (as building and equipment expense) in the year of payment because the sublease stipulates that any remaining funds at the expiry date or the earlier termination of the sublease will be the property of The City. However, the funds will remain intact for many years until life cycle needs start and the actual building expense are incurred. The following table describes the amounts that were contributed by the Library (as Sublessee) to the asset management reserve fund and the balance being held in the fund at the end of the year.

Location	Sublandlord	Sublease Commencing Year	Sublease Term (Years)	Opening Balance January 1, 2022	Amount Contributed	Amount Withdrawn	Balance Remaining December 31 2022
					\$	\$	\$
Quarry Park Recreation Facility	YMCA	2016	25	96,200		-	96,200
Seton Recreation Facility	YMCA	2019	25	59,500	-	-	59.500
TOTAL				155,700	-		155,700

These transactions are recorded at the exchange amount, which represents the amount agreed to by both parties.

13. LOCAL AUTHORITIES PENSION PLAN

The Library participates in the Local Authorities Pension Plan (LAPP). This pension plan is a multi-employer defined benefit pension plan that provides pensions for the Library's participating employees, based on years of service and earnings.

The pension expense recorded in these financial statements as salaries and employee benefits expense represents the Library's annual contributions of \$1,751,319 in 2022 (2021 - \$1,884,161). All full-time staff employed by the Library are members of the LAPP after a qualification period.

The LAPP was in a surplus position of \$11.9 billion in 2021, an increase from a surplus position of \$5.0 billion in 2020. The surplus applies to the entire plan and the Library's portion of the surplus cannot be determined. The 2021 information is provided as the most recent information was not available at the time of preparing the financial statements.

LAPP consists of over 164.831 active members. The City of Calgary's active plan membership represents approximately 7.8% of which the Library portion is approximately 0.1% as at December 31, 2021.

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14. CALGARY PUBLIC LIBRARY FOUNDATION

The Calgary Public Library Foundation (the "Foundation") financial statements are not consolidated with the Library as the Foundation is an unrelated independent organization. The Foundation was established in 1999 and operationalized in 2000. It is a stand-alone charity registered with the Federal and Provincial Governments. The purpose of the Foundation is:

- To raise funds for the Library; and
- To assist the Library in providing the highest possible level and quality of service to the customers of the Library.

During fiscal 2022, the Library recognized \$2,314,195 (2021 - \$1,545,048) grants & sponsorships revenue from the Foundation and recorded \$619,403 in deferred revenues (2021 - \$352,015). The revenue recognized includes an in-kind donation of \$3,075 (2021 - \$nil), relating to data analytics services. At December 31, 2022, the Library contributed an in-kind donation of \$92,038 (2021 - \$91,287) to the Foundation relating to occupancy costs and general operating expenses for the Central Library Building.

15. BUDGET

The budget amounts presented throughout these financial statements are based on the operating and capital budgets approved by the Board of Directors of the Library and The City Council.



CALGARY PUBLIC LIBRARY FOUNDATION UPDATE

CALGARY PUBLIC LIBRARY FOUNDATION

MARCH 2023

HIGHLIGHTS

- Our **March 50/50** is active with a jackpot currently over \$13,000 in support of the Library. The 50/50 will close on March 31st. Tickets are available at Library5050.com.
- Our **February Direct Mail** focused on supporting literacy has raised \$21,583 to date.
- LibraryStore.ca
 - Our popular grey Local Laundry sweatshirts have been restocked and are selling quickly
 - > We are launching a new line of Foundation-designed products called the "I Read..." Collection. Stay tuned for the official launch
- Our **annual legacy giving cultivation mailer** will be sent to 3,000 prospect addresses in mid April. The appeal will feature Joanne Stalinski's donor story. Joanne has made a legacy gift in honour of her parents, their love of the Library and commitment to supporting the community. The legacy cultivation mailer seeks to educate donors about the impact of legacy giving and invites them to join our Epilogue Society of donors.
- This International Women's Day we asked the community to support Free Period — making menstrual products available for free in Library washrooms — and raised \$2,470
- The Library Foundation participated in the media announcement for the upcoming Servus Calgary Marathon, unveiling the 2023 medal and t-shirt design that features Central Library. There is still time to join our fundraising team and walk and run in support of the Library on May 28. Visit https://raceroster.com/63285?aff=QLSDD to register.
- Mid and Major Gifts Updates:
 - \$100,000 \$150,000 range verbal commitment for Signal Hill
 Outdoor Early Learning Centre
 - > \$28,000 in support of **Highest Priority Needs** to offset inflation costs
 - > \$5,000 in support of My First Bookshelf
 - > \$5,000 for Signal Hill Outdoor Early Learning Centre
 - > Several individual and corporate funding proposals under development for donor/prospect presentation.







CALGARY PUBLIC LIBRARY FOUNDATION UPDATE



MARCH 2023

UPCOMING

- March 22 Launch of a new fundraising campaign in support of a popular children's space!
- March 31 Deadline to purchase 50/50 tickets
- March TBD Launch of LibraryStore+ and the "I Read..." product collection
- May 28 Join us at the **2023 Servus Calgary Marathon**. You can walk/run in support of the Calgary Public Library. Use our referral link to register and the Library Foundation will receive a portion of your registration fee: https://raceroster.com/63285?aff=QLSDD
- October 21 We're hosting the Lit Gala a once-in-a-lifetime event again!

"The library is my SAFE HOME HAVEN. It brings the library to me when I am homebound or I can go there like everyone else. I feel welcome. The staff and volunteers are lovely. They have so much knowledge and skills. The library has different events, programs and other ways to help develop me as a person. It's more than a place to read. I love the public library" — Library Donor

Calgary Public Library Board Annual Workplan

Penorts for Information (I) and Approval (A)		Annual Meeting Cycle											
Reports for Information (I) and Approval (A) Or No Motion Required (X)	Jan	Feb	Mar	Apr	Мау	Jun	*InC	Aug	Sep	Oct	Org	Nov	Dec
Executive Leadership Team													
1. CEO Report	I		ı		I	I			ı			ı	
2. Public Libraries Service Branch (PLSB) Annual Survey (in camera)			Α										
General Board Governance													
3. Chair and Vice-Chair Appointments											X		
4. Standing Committee Appointments											X		
5. Standing Committee Chair Appointments											Х		
6. ALTA Representative Appointment (optional)											Х		
7. Delegate Selection for Calgary Public Library Foundation Board											X		
Governance Committee													
8. Meeting Report(s)	ı		ı		ı	ı			I			I	
9. Organizational Meeting Review and Recommendations	ı												
10. Board Self Evaluation Results Review and Recommendations			ı										
11. New Member Appointment Recommendations (in camera)									Α				
12. New Member Orientation									X				
13. Board Governance Bylaw Review (revisions require Board approval)									I				
14. Board Policy Review (revisions require Board approval)									I				
15. CEO Performance Review (in camera)									ı				
Strategy and Community Committee													
16. Meeting Report(s)	I		ı		ı	I			I			I	
17. Community Library Liaisons	Α												
18. Board Retreat Recommendations	ı												
19. Board Advocacy Recommendations													
20. Strategic Plan (2022, 2026, 2030)						Α							
Audit and Finance Committee													
21. Meeting Report(s)	I		I		I				I			I	
22. Annual Budget	Α												
23. Annual Financial Audit			Α										

Calgary Public Library Board Annual Workplan

Reports for Information (I) and Approval (A) Or No Motion Required (X)	Annual Meeting Cycle												
	Jan	Feb	Mar	Apr	Мау	Jun	*InC	Aug	Sep	Oct	Org	Nov	Dec
24. Revolving Credit Facility Confirmation	Α												
25. Operating Reserve Fund Review	I												
26. Quarterly and Annual Financial Review	ı		ı		ı				ı			ı	
27. Quarterly and Annual Risk Review	I				ı				ı			I	
Calgary Public Library Foundation													
28. Report to the Board	I		I		I	I			I			I	