

Winnipeg Public Library Board Annual Report 2013

To: The Standing Policy Committee on
Protection and Community Services

From Bill Zuk, Chair
Winnipeg Public Library Board

Report Date: February 2014

REASON FOR REPORT:

As mandated in the City of Winnipeg By-Law No. 119 / 2004, the Winnipeg Public Library Board's duties include reporting from time to time to the Standing Policy Committee on Protection and Community Services regarding the Board's activities.

Key Issues:

Winnipeg Public Library Board focused on implementing the direction set out in its Strategic Plan for 2011-2014:

1. Engage citizens and raise awareness of the value of the Library in the broader community context
2. Secure permanent increases to materials budget and provincial budget allocation
3. Conduct research on library issues and trends to help improve library service

2013 ANNUAL REPORT

1. ENGAGE CITIZENS AND RAISE AWARENESS OF THE VALUE OF THE LIBRARY IN THE BROADER COMMUNITY CONTEXT

Winnipeg Public Library Board Community Outreach Committee

Jack Montgomery Award

In 2013, the Community Outreach Committee of the Winnipeg Public Library Board refocused its Jack Montgomery Community Outreach Award to provide support for enhanced programming that recognizes public interest in writing workshops and author readings. Branches across the system were able to access funds for new and/or further developed programming for all ages.

In 2013, the following programs were impacted:

- Summer workshop series: Writing for Youth with Kate Vermette at two branches: Sir William Stevenson and St. James libraries.
- Maureen Fergus Book Young Adult Author Book Launch/Author reading at two branches: Sir William Stevenson and St. James libraries.
- Adult Writing Circles with the Manitoba Writers' Guild at three branches: West End, Cornish and Sir William Stevenson libraries.

Language and Literacy Grants

The recipients of the 2013 Language and Literacy grants were:

- Norquay School ereader project in collaboration with "Check it Out"/Mobile Library Services of the Winnipeg Public Library.
- *Literacy Partners of Manitoba* partnering with the Millennium Library creating a reader-in-residence program to support literacy at Grades 3-6 levels.

Books2Eat

The Winnipeg Public Library Board held its third Books2Eat event on April 6, 2013, at the Millennium Library to celebrate books and food as part of a world-wide festival that takes place every year on, or around, April 1. The goal of the event is to attract the community to the Library to see the Library in another way, and to return again as regular users. The day of the event included expert speakers' sessions, a cake decorating presentation, a children's craft activity and the Edible Book competition. The challenge was for participants to recreate book-themed edible items. Local celebrity judges awarded book prizes. The fourth annual Books2Eat event is set for April 5, 2014.

Professional Development

The Winnipeg Public Library Board was represented at the Canadian Libraries Conference May 29 - June 1, 2013 in Winnipeg, attending information sessions on issues addressing universal access of media, the incorporation of latest electronic media in public libraries and the role of library boards among the numerous topics. The Board played an active role in hosting an all-delegate meeting on the first evening of the conference.

Library Advisory Committees

As mandated in the City's Library By-law, the Winnipeg Public Library Board is responsible for the five Library Advisory Committees (LACs), whose role is to advise the Board on Library service within their communities.

LACs bring forward ideas or issues affecting local libraries in their areas and help raise awareness of what libraries are doing in their communities and seek feedback from patrons. In 2013, Assiniboia, City Centre, Riel, East Kildonan-Transcona, and Lord Selkirk-West Kildonan Library Advisory Committees met several times during the year and participated in various events to help raise the profile of the library and suggest improvements at the local branch level.

The Assiniboia LAC held a very successful LEGO-themed event at the Westwood Library that not only highlighted the community-based activities of the Winnipeg Public Library, but also served as an introduction to the work of the local LAC.

The Board provided an orientation for new board and LAC members on March 2, 2013 for all Board and LAC members. The orientation included a review of the roles played by the Winnipeg Public Library Board and LACs, an overview of the library system, a question and answer session and sharing session.

Winnipeg Public Library History Project

Winnipeg Public Library Board (WPLB) has hired Eve Dutton, an author and interpreter for Parks Canada who has been involved in similar historical research related to the Forks National Park and Lower Fort Garry site to help write a history of Winnipeg Public Library.

In the current phase of research related to the project, Ms. Dutton has interviewed Winnipeg Public Library staff at various library branches. She will be continuing her work through 2014 with a preliminary manuscript scheduled for May 2014. The anticipated completion of her manuscript and the publication of the book is intended to coincide with the 2015 centenary of the two Carnegie libraries in Winnipeg: the St. John's and Cornish branches.

2. SECURE PERMANENT INCREASES TO MATERIALS BUDGET AND PROVINCIAL BUDGET ALLOCATION

City's 2014 Operating Budget

Over the last few years, the Winnipeg Public Library Board through a series of presentations to the Standing Policy Committee on Protection and Community Services as well as to the Executive Policy Committee of the City of Winnipeg has addressed the need for an increase in the library's materials budget.

On November 25, 2013, at a public announcement at the Millennium Library, Mayor Sam Katz announced a proposed increase of \$300,000 for library materials for each of the next three years as part of the 2014 Preliminary Operating Budget. Subsequently, along with the continuing Capital Budget support for the Library Redevelopment Strategy, the City of Winnipeg Operating Budget 2014 passed on December 17, 2013 includes a \$300,000 increase in the library materials budget.

The Winnipeg Public Library Board would like to commend Mayor Sam Katz and Council for their continuing commitment to make our libraries the best they can be for the citizens of Winnipeg.

Meeting with the Province to review the provincial funding formula

In 2014, members of the Winnipeg Public Library Board will be seeking a meeting with the Hon. Ron Lemieux, the new Minister of Culture, Heritage and Tourism, Province of Manitoba. The meeting will focus on the Board's interest in seeing support of a change in the provincial funding formula for Winnipeg Public Library. The Board will emphasize the value of the public library system to all citizens, especially in light of Manitoba's changing demographics and the advances in technology that put a further demand on existing library resources.

3. CONDUCT RESEARCH ON LIBRARY ISSUES AND TRENDS TO IMPROVE LIBRARY SERVICE

Information and Reference Services Study

In light of changes to library users' information-seeking needs, the Winnipeg Public Library Board supported an outside review of the Winnipeg Public Library's Information Services. *Libraries in Transition* consultants undertook this project with the results of the study currently being implemented. In 2013, the Board was represented on the Implementation Committee.

4. BOARD'S OPERATING GRANT

The Winnipeg Public Library Board would like to thank the Standing Committee on Protection and Community Services for approving our 2013 grant request of \$79,315 to support the ongoing work of the Library Board.

5. OTHER WINNIPEG PUBLIC LIBRARY BOARD ACTIVITIES

- Participated in *On the Same Page* programming and *BookMates* along with other literacy-focused events,
- Participated in the *Winnipeg Public Library Foundation* and Manitoba Library Trustees Annual General Meetings.
- Attended the St. Vital and Charleswood community meetings to discuss the redevelopment of the respective branch libraries.

6. ACKNOWLEDGEMENTS

In closing, the Winnipeg Public Library Board wishes to acknowledge and thank:

- Members of the Standing Policy Committee on Protection and Community Services for their ongoing commitment to Winnipeg Public Library;
- Councillors Jeff Browaty and Ross Eadie for their participation, advice and ongoing support of public library services during their terms on the Board;
- Manager of Library Services Rick Walker and the dedicated WPL staff for their service excellence and innovation;
- Corie Seburn for taking on the role of Administrative Assistant to the Board;
- Winnipeg Library Foundation Chair Sandy Hyman and Executive Director Carole Marshall for their leadership of the Winnipeg Library Foundation;
- Past Chair of the Board, Jacqueline St. Hill;
- Former Board members, for their contributions;
- All Library Advisory Committee members for their community library support.

Prepared by:



Bill Zuk, 2013–2014 Chair, Winnipeg Public Library Board

Appendix A:

Winnipeg Public Library Board, Audited Financial Statements, January 2014

WINNIPEG PUBLIC LIBRARY BOARD

FINANCIAL STATEMENTS

DECEMBER 31, 2013

January 27, 2014

INDEPENDENT AUDITOR'S REPORT

To the Directors of the Winnipeg Public Library Board:

We have audited the accompanying financial statements of Winnipeg Public Library Board, which comprise the statement of financial position as at December 31, 2013, and the statement of operations and change in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Winnipeg Public Library Board as at December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements of Winnipeg Public Library Board for the year ended December 31, 2013 were audited by another auditor who expressed an unmodified opinion on those financial statements on January 31, 2013.

Scarrow & Donald LLP

Chartered Accountants
Winnipeg, Canada

For this communication, together with the work done to prepare this communication and for opinions we have formed, if any, we accept and assume responsibility only to the addressee of this communication, as specified in our letter of engagement.

WINNIPEG PUBLIC LIBRARY BOARD
STATEMENT OF FINANCIAL POSITION

		December 31	
		2013	2012
ASSETS			
Current assets:			
Cash	\$	40,660	\$ 18,976
GST receivable		891	696
		\$ 41,551	\$ 19,672
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable and accrued liabilities	\$	-	\$ 73
Net assets:			
Unrestricted		41,551	19,599
		\$ 41,551	\$ 19,672

APPROVED BY THE BOARD:


 _____ Director


 _____ Director

WINNIPEG PUBLIC LIBRARY BOARD

STATEMENT OF OPERATIONS

	Year ended December 31	
	2013	2012
Revenue:		
City of Winnipeg operating grant	\$ 79,315	\$ 88,128
Other income	-	934
	<u>79,315</u>	<u>89,062</u>
Expenditures:		
Administrative	8,187	18,215
Development and research	7,805	27,565
Foundation donation	20,000	20,000
Language and literacy grants	3,000	3,000
Promotion, advertising, and community outreach	8,371	12,087
Sponsorship	10,000	10,000
	<u>57,363</u>	<u>90,867</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 21,952</u>	<u>\$ (1,805)</u>

WINNIPEG PUBLIC LIBRARY BOARD
STATEMENT OF CHANGES IN NET ASSETS

	Year ended December 31	
	2013	2012
Net assets, beginning of year	\$ 19,599	\$ 21,404
Excess (deficiency) of revenue over expenditures	<u>21,952</u>	<u>(1,805)</u>
Net assets, end of year	<u>\$ 41,551</u>	<u>\$ 19,599</u>

WINNIPEG PUBLIC LIBRARY BOARD

STATEMENT OF CASH FLOW

	December 31	
	2013	2012
Cash flow from operating activities:		
Excess (deficiency) of revenue over expenditures	\$ 21,952	\$ (1,805)
Changes in non-cash working capital-		
GST receivable	(195)	(345)
Accounts payable and accrued liabilities	(73)	(868)
Library Advisory Committees payable	-	(513)
Net (decrease) increase in cash flow	21,684	(3,531)
Cash, beginning of year	18,976	22,507
Cash, end of year	\$ 40,660	\$ 18,976

WINNIPEG PUBLIC LIBRARY BOARD

NOTE TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2013

1. Purpose of the Organization:

The Winnipeg Public Library Board (the "Organization") was established through the enactment of a City of Winnipeg by-law to provide guidance with respect to improving the City's library system. It is a not-for-profit organization that is exempt from income tax under provisions of the *Income Tax Act*.

2. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. An assumption underlying the preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations is that the entity will continue for the foreseeable future and will be able to realize its assets and discharge liabilities in the normal course of operations.

The financial statements have been prepared using the following accounting policies:

a) Critical accounting estimates and judgments-

The preparation of financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period.

Accounting estimates are included in financial statements to approximate the effect of past business transactions or events, or to approximate the present status of an asset or liability. It is possible that changes in future economic conditions could require changes in the recognized amounts for accounting estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they became known.

Significant areas of estimation by management include the impairment of non-financial assets, the useful lives of capital assets and the fair value of financial instruments.

Management bases their judgments, estimates and assumptions on factors they believe to be reasonable in the circumstances, but which may be inherently uncertain and unpredictable.

b) Financial instruments (cont'd)-

Except for certain related party transactions, financial instruments are measured at fair value on initial recognition adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Transaction costs related to financial instruments that will be measured subsequently at fair value are recognized in the difference between revenues and expenses for the period incurred.

In subsequent periods, investments in equity instruments that are quoted in an active market and certain derivative contracts are measured at fair value without any adjustment for transaction costs that may incur on sale or other disposal. The Organization may elect to measure any financial instrument at fair value when the asset or liability is first recognized or for equity instruments that previously measured at fair value when the equity instrument ceases to be quoted in an active market. Other investments in equity instruments are measured at cost less any reduction for impairments. All other financial instruments are measured at amortized cost. Amortized cost is the amount at which the financial instrument is measured at initial recognition less principal repayments, plus or minus the cumulative of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

The Organization measures cash and accounts payable and accrued liabilities amortized cost.

NOTE TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2013

2. Significant accounting policies (cont'd):

b) Financial instruments (cont'd)-

The Organization assesses impairment of all its financial assets, except those measured at fair value. Management considers whether there has been a breach in contract, such as a default or delinquency in interest of principal payments in determining whether objective evidence of impairment exists. Impairment is included in the difference between revenues and expenses.

c) Revenue recognition-

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses occur. Unrestricted contributions are recognized as revenue of the when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Other revenue is recognized when incurred and when collection can be reasonably assured.

As is common with many not-for-profit organizations, the Organization receives contributions in the form of goods and services. Because of the difficulty of determining their value, contributed goods and services are not recognized in the financial statements.

d) Capital assets-

The average annual revenues recognized in the statement of operations for the current and preceding period of the Organization was less than \$500,000. Since the organization met criteria for small not-for-profit organizations, it does not record the acquisition of capital assets. These acquisitions are expensed at the date of acquisition. No capital assets were acquired or expensed in the statement of operations (2012 - \$nil).

3. Economic dependence:

The Organization is dependent on the City of Winnipeg as its primary source of revenue. Should this funding substantially change, management is of the opinion that continued viable operations would be doubtful.

NOTE TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2013

4. Risk management:

Management's risk management policies are typically performed as a part of the overall management of the Organization's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. In the normal course of its business, the Organization is exposed to a number of risks that can affect its operating performance. Management's close involvement in operations helps identify risks and variations from expectations. As a part of the overall operation of the Organization, management considers the avoidance of undue concentrations of risk. These risks and the actions taken to manage them include the following:

Liquidity risk-

Liquidity risk is the risk that the Organization cannot meet its financial obligations associated with financial liabilities in full. The Organization's main source of liquidity is its operations. The funds are primarily used to finance working capital requirements and are adequate to meet the Organization's financial obligations associated with financial liabilities.

Credit risk-

Credit risk arises from the possibility that debtors may be unable to fulfill their commitments. For a financial asset, this is typically the gross carrying amount, net of any amounts offset and any impairment losses. The Organization has credit policies to address credit risk on accounts receivable, which may include the analysis of the financial position of the debtor and review of credit limits. The Organization also may review credit history before establishing credit and review credit performance. An allowance for doubtful accounts or other impairment provisions are established based upon factors surrounding credit risk, historical trends and other information. No allowance for doubtful accounts has been recorded for accounts receivable.