

Winnipeg Public Library Board Annual Report 2014

To: The Standing Policy Committee on
Protection and Community Services

From Bill Zuk, Chair
Winnipeg Public Library Board

Report Date: January 19, 2015

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.

As the Chair of the Winnipeg Public Library Board, I would like to acknowledge and thank the Mayor and Council of the City of Winnipeg for their vision and continued commitment in supporting the work of our Library. Over the last few years, the city's capital and operating budgets have been instrumental in providing for an increase in the materials budget and in undertaking the Library Facility Redevelopment Strategy that will result in the replacement and renewal of modern, safe and accessible libraries able to accommodate the dynamic needs of library users. This progressive initiative is a milestone achievement that serves to bring our library system into the 21st Century.

Key Issues:

The Winnipeg Public Library Board is 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

2014 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 Writers Award

In 2014, the Community Outreach Committee of the Winnipeg Public Library Board through its Jack Montgomery Community Outreach Award, named after author and former board member Jack Montgomery, provided support for writing workshops and author readings. Community organizations and library branches across the system were able to access funds for new and/or further developed writing programming for all ages.

The recipients of the 2014 Jack Montgomery Community Outreach Awards were:

- **Manitoba Writers' Guild Adult Writing Facilitation Program, working with the Millennium Library.** Beginning in November 2014, the group began working with emergent authors to develop their first novel and also have a workshop with the library's 2014/15 Writer-in-Residence to discuss 'Where Do We Go From Here?' – a plan for bringing their completed novel on to publication. The program is scheduled for completion in June 2015.
- **Professional Writers' Association of Canada (Manitoba Chapter) "Crowdfunding" Program for writers, working with the Millennium Library.** In a one-day workshop, on November 29, 2014, two authors, popular young adult writer Arthur Slade from Saskatoon and local writer Doreen Pendracs who have initiated crowdfunding programs for their own works, successfully provided the background and resources to assist local writers in implementing a crowdfunding effort.

Language and Literacy Funds

In 2014, the Community Outreach Committee of the Winnipeg Public Library Board through its Language and Literacy Funds assisted community groups in Winnipeg in developing projects in partnership with Winnipeg Public Library branches. The goal in stimulating literacy also resulted in increased Winnipeg Public Library usage.

The recipients of the 2014 Language and Literacy funds were:

- **The Frontier College Summer Literacy Camp, working with the West Kildonan Library.** The Summer Literacy Camp was designed to engage youth from low-socio-economic areas in a wide variety of educational activities. The program based at the West Kildonan Library, featured activities ranging from creative expression, critical thinking, informal learning, physical activity to community interaction.
- **The Chancellor School Literacy Project, working with the Pembina Trail Library.** A group of at-risk students were focused on a year-long program with emphasis on improving their language and literacy skills. Providing these students with books that are fun but also challenging was made available through special collections both at the school and at the Pembina Trail Library.

Books2Eat

The Winnipeg Public Library Board held its fourth annual Books2Eat event 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 was to attract the community to the Library to see the Library in another way, and to return again as regular users.

The 2014 Books2Eat event on April 5, 2014 at the Millennium Library, included expert speakers' sessions, a cake decorating presentation, a children's craft activity and the Edible Book competition. The challenge was for participants to use culinary arts to recreate book-themed edible items. Over 300 people participated in the event. Local celebrity judges awarded book prizes. The fifth annual Books2Eat event with another exciting schedule of events is set for April 25, 2015.

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 local 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.

The Board provided an orientation for new board and LAC members on March 1, 2014 at the Henderson Library 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.

In 2014, the 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 St. James 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.

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 2014 Ms. Dutton completed the first draft of chapters of the final Library History Book manuscript, continuing her work with a final draft scheduled for February 2015. 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.

Winnipeg Public Library Board Strategic Plan

With the completion of the Winnipeg Public Library Board's Strategic Plan 2011–2014 occurring in 2014, on September 13, 2014, facilitated by the Big Sky Planning and Concepts team, 10 members of the Manitoba Public Library Board came together for a strategic planning session at the St. Boniface Library to set direction for the next four years.

After receiving the results of the planning session, a Strategic Plan 2015–2018, identified the following goals:

1. The Board will ensure that their recommendations are in accordance with the duties stated in the City of Winnipeg By-law.
2. The Board will increase and strengthen its advocacy role.
3. The Board will conduct a critical review of its role and the work it should accomplish.
4. The Board will raise its profile with the community and city officials.

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 as part of the 2014 Preliminary Operating Budget.

Meeting with the Province to review the provincial funding formula

In 2015, members of the Winnipeg Public Library Board will again 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

Professional Development

At the Ontario Library Association Conference, January 29–February 2, 2014 in Toronto, board members Gordon Crook and Bob Foster represented the Winnipeg Public Library Board. This conference is the largest of its kind in Canada and provided the board with the latest information on issues and trends that are impacting the public library system.

4. BOARD'S OPERATING GRANT

The Winnipeg Public Library Board would like to give notice to the Standing Policy Committee on Protection and Community Services of the 2015 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 attended the AGM for *BookMates* along with other literacy-focused events.
- Participated in the *Winnipeg Public Library Foundation* and Manitoba Library Trustees Annual General Meetings.
- Attended the Charleswood Library Public Open House meeting to discuss the redevelopment of the branch library.
- Attended the re-opening of the Fort Garry Library.

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 Harvey Smith and Paula Havixbeck for their participation, advice and 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;
- Annabel Perez for her assistance in 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;
- Former Board members, for their contributions;
- All Library Advisory Committee members for their community library support.

Prepared by:

Bill Zuk, 2014 Chair, Winnipeg Public Library Board

Appendix A:

Winnipeg Public Library Board, Draft Financial Statements, January 2015

WINNIPEG PUBLIC LIBRARY BOARD

FINANCIAL STATEMENTS

DECEMBER 31, 2014

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January 27, 2015

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, 2014, 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, 2014, 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.

DRAFT

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	
		2014	2013
ASSETS			
Current assets:			
Cash	\$	44,137	\$ 40,660
GST receivable		1,120	891
Prepaid expenses		3,324	-
		\$ 48,581	\$ 41,551
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable and accrued liabilities	\$	207	\$ -
Net assets:			
Unrestricted		48,374	41,551
		\$ 48,581	\$ 41,551

APPROVED BY THE BOARD:

_____ **Director**

_____ **Director**

WINNIPEG PUBLIC LIBRARY BOARD

STATEMENT OF OPERATIONS

	Year ended December 31	
	2014	2013
Revenue:		
City of Winnipeg operating grant	\$ 79,315	\$ 79,315
Expenditures:		
Administrative	11,008	8,187
Development and research	21,002	7,805
Foundation donation	20,000	20,000
Language and literacy grants	3,000	3,000
Promotion, advertising, and community outreach	7,482	8,371
Sponsorship	10,000	10,000
	<u>72,492</u>	<u>57,363</u>
Excess of revenue over expenditures	<u>\$ 6,823</u>	<u>\$ 21,952</u>

WINNIPEG PUBLIC LIBRARY BOARD
STATEMENT OF CHANGES IN NET ASSETS

	<u>Year ended December 31</u>	
	<u>2014</u>	<u>2013</u>
Net assets, beginning of year	\$ 41,551	\$ 19,599
Excess of revenue over expenditures	<u>6,823</u>	<u>21,952</u>
Net assets, end of year	<u>\$ 48,374</u>	<u>\$ 41,551</u>

WINNIPEG PUBLIC LIBRARY BOARD
STATEMENT OF CASH FLOWS

	December 31	
	2014	2013
Cash flow from operating activities:		
Excess of revenue over expenditures	\$ 6,823	\$ 21,952
Changes in non-cash working capital-		
GST receivable	(229)	(195)
Prepaid expenses	(3,324)	-
Accounts payable	207	(73)
Change in cash	3,477	21,684
Cash, beginning of year	40,660	18,976
Cash, end of year	\$ 44,137	\$ 40,660

NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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-

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 at amortized cost.

NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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 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 (2013 - \$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, 2014

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.

