

Winnipeg Public Library Board Annual Report 2016

To: **The Standing Policy Committee on Protection, Community Services, and Parks**

From **Joan Blakley, Chair
Winnipeg Public Library Board**

Report Date: **February 10, 2017**

REASON FOR REPORT:

As mandated in the City of Winnipeg By-Law No. 119 / 2004, the Winnipeg Public Library Board's duties include reporting to the Standing Policy Committee on Protection, Community Services & Parks 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. For 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 sustaining the Library Facility Redevelopment Strategy that is resulting in the replacement or renewal facilities so that we have modern, safe and accessible libraries that can accommodate the dynamic needs of library users. This progressive initiative is an incredible achievement that is helping bring our library facilities into the 21st century.

At the beginning of 2015, The Winnipeg Public Library Board renewed its Strategic Plan and is focused on implementing the direction set out in the Plan for 2015-2018.

Based on the Strategic Plan, the Board will:

1. Ensure that their recommendations are in accordance with the duties stated in the By-law
2. Increase and strengthen its advocacy role
3. Conduct a critical review of its role and the work it should accomplish
4. Raise its profile with the community and city officials
5. Explore opportunities to expand community and citizen involvement

2016 ANNUAL REPORT

1. Ensure that the Board's recommendations are in accordance with the duties stated in the By-law

- After reviewing the alignment of the By-law with the Regulations, the Board is conducting an in-depth review of the Regulations for both the Board and Library Advisory Committees. The intent is to make sure that decisions and actions taken by Board and Committee members effectively achieve the intent of the By-law.
- The Annual Board and Library Advisory Committee Orientation was held March 5, 2016, and included discussion of the Library By-law and Board and Library Advisory Committee Regulations. Roles and responsibilities of the Board and Library Advisory Committees were discussed and participants shared ideas about how to best achieve Board goals going forward. The next orientation is scheduled for March 4, 2017.

2. Increase and strengthen The Board's advocacy role

- In 2016, Board and Library Advisory Committee (LAC) members wrote letters of support for grant applications submitted by the Winnipeg Library Foundation to municipal, provincial and federal granting agencies in support of their fundraising efforts for the Cornish and St. John's Library Renewal programs and for Canada 150 Grants.
- The Board wrote a letter of recommendation for a Winnipeg Public Library staff person in support of his application to attend the Northern Exposure to Leadership Institute. This event is highly regarded so it was pleasing to hear that this application was accepted.
- Board and LAC members actively used a communication fan-out to inform members of opportunities to provide input into library services consultations and for Board and LAC members to be involved in library activities and outreach.
- Board representatives attended numerous library events and, by their presence and actions, demonstrated support of library initiatives and achievements.
- The Board advocated for the elimination of fines on children and young adult reading materials. Although unsuccessful in achieving this goal in 2016, it will be pursued again in the future as we believe that making this change will have a significant positive impact on early literacy.

3. Conduct a critical review of The Board's role and the work it should accomplish

- The Board continues to evaluate effectiveness of actions taken and seek opportunities to initiate and/or support activities that would support literacy and increase use of libraries. The Board has:
 - Strengthened its efforts to support Winnipeg Public Library outreach events through funding and volunteering,
 - Continued with expanding the Books2Eat Program to branch libraries, including a planned outreach event aimed at teens,
 - Put together a Library Advisory Committee "Kit" which includes a Library Advisory Committee banner, book marks, stickers, pens and current event information to give away at events both in and outside library branches,
 - Established procedures for setting up and running a LAC event, and
 - Supported contests at branches to encourage customers to sign up or renew library cards.
- Board representatives attended conferences in Toronto (Ontario Library Association Superconference) and Calgary (Pacific Northwest Library Associations Conference) as a means of gathering information and enriching the discussion when considering options for community engagement in libraries.
- The Board was a sponsor of the Manitoba Library Association Conference held in Winnipeg May 4-6, 2016 and sent representatives from the Board and LACs to attend.

4. Raise The Board's profile with the community and city officials

- Members of the Board's Executive met with Councillor Matt Allard in November 2016 to discuss the work of the Board and the Library Advisory Committees. Engagement of other Councillors will occur in the coming months for an exchange of information and ideas about the Board and bettering our engagement within Winnipeg's communities.
- The Board continues to honor the memory of Jack Montgomery, a former Board member, through the Jack Montgomery Award to the Winnipeg Public Library Writer in Residence Program. This program provides assistance to aspiring writers in Winnipeg and beyond.
- Board and Library Advisory Committee members actively engaged with Winnipeg Public Library Staff in numerous public events including:
 - First Birthday Bash in honor of Charleswood Library in January
 - Banned Books Day Reading
 - Take your Child to the Library Day
 - Books2Eat
 - The Sherbrook Street Festival

- Public consultations for the redevelopment of the Transcona Library, and inclusion of the River Heights Library as part of the Grant Park Campus
 - The Groundbreaking for the Windsor Park Library
 - An information session at Polo Park Mall
 - The opening ceremony for the Literacy Playground at Millennium Library
 - The opening ceremony for the Anne Frank Exhibit at Millennium Library and;
 - Supported the Friends of Winnipeg Public Library's annual Books n Brunch.
- The Winnipeg Public Library Board organized the **Sixth Annual Books2Eat on April 16, 2016** 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. Books2Eat has grown to become a family-focused event and attracted over 300 people who enthusiastically participated in the day's events. The Board's goal with this event was to attract community members to come and see the Library in another way, and to return again as regular users. The Seventh Annual Books2Eat event is set for April 8, 2017.
 - **Winnipeg Public Library History Project:** The text for a history of Winnipeg Public Library is complete. The Board is finalizing the layout with Signature Editions and plans to publish and launch the book in spring, 2017. The book will be available in print, e-book and accessible format.
 - The Winnipeg Public Library Board actively engaged in the **Manitoba Library Trustees Association** and continues to maintain a strong presence as the library associations of Manitoba combine into one Manitoba Library Association with divisions representing interest groups.

5. Explore opportunities to expand community and citizen involvement

- The Winnipeg Public Library Board is responsible for the five Library Advisory Committees (LACs) in **Assiniboia, City Centre, Riel, East Kildonan-Transcona, and Lord Selkirk-West Kildonan**.
- The Winnipeg Public Library Board implemented a standard minutes template for both its own and LAC use and posts all minutes to the Board's website for public access. Although membership fluctuated over the course of the year, Library Advisory Committees held regular meetings.
- As noted above, LAC members engaged with their library branches for outreach events. The focus for LACs this year has been on collaborating with library staff to reach out into the community and bring new users to the library. Interesting feedback has been gleaned through these encounters.
- Library Advisory Committees sponsored draws for book prizes in conjunction with card sign-up campaigns and other community events.

- Winnipeg Public Library staff provided strong and enthusiastic support to LAC activities which greatly enhanced the LACs' ability to share information with the public about the library at their outreach events. LAC members reported back to The Board about the public interest in libraries and provided valuable feedback from library patrons and from new or non-users of library services.
- In February 2016, during I Love to Read Month, two published books of students writing were put on show at:
 - West Kildonan Library for Garden City Collegiate students and
 - River Heights Library for Brock Corydon School students

This was a highly successful initiative that brought children and their families to the library branch near their school and provided a very tangible encouragement to children to write creatively and strive for excellence in their writing.

- In addition to Books2Eat itself, in response to customer requests, outreach "teaser" events were held at two branch libraries. These events attracted participants who enthusiastically engaged in culinary events that filled the libraries with wonderful smells and reminded us of the richness of the WPL collection as displays of related cook books and travel-themed books were examined and enjoyed.

BOARD'S OPERATING GRANT

The Winnipeg Public Library Board would like to acknowledge the ongoing financial support provided by City Council. The Winnipeg Public Library Board has submitted application for a 2017 Operating Grant of \$79,315 to support the ongoing work of the Library Board.

OTHER WINNIPEG PUBLIC LIBRARY BOARD ACTIVITIES

- Little Free Library Build Days held at the West End Library in October
- BookFest 2016 at the Millennium Library in November which featured Manitoba writers and publishers
- Support to the Winnipeg Public Library for a library card sign-up campaign targeting all kindergarten students – to be implemented in spring 2017
- Purchase of Daisy Readers to improve book access for individuals with print disabilities
- Engagement of Board and LAC members in identifying and establishing new sites for distribution of Winnipeg Public Library Newsletter "At the Library"

ACKNOWLEDGEMENTS

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

- Members of the Standing Policy Committee on Protection, Community Services & Parks for their ongoing commitment to Winnipeg Public Library
- Councillors Matt Allard and Jason Schreyer for their participation, advice and support of public library services during their terms on the Board; and newly appointed Councillor Russ Wyatt
- Manager of Library Services Rick Walker and the dedicated WPL staff for their service excellence and innovation
- Following Rick's retirement, the Board has greatly appreciated the support and input from the new Manager of Library Services, Ed Cuddy
- Annabel Perez for her strong 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
- All Library Advisory Committee members for their community library support.

Prepared by:

Joan Blakley, 2016 Chair, Winnipeg Public Library Board

Appendix A:

Winnipeg Public Library Board, Financial Statements, 2016

WINNIPEG PUBLIC LIBRARY BOARD

FINANCIAL STATEMENTS

DECEMBER 31, 2016



CHARTERED PROFESSIONAL ACCOUNTANTS

February 7, 2017

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, 2016, and the statement of operations, changes 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, 2016, 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.

Scarrow & Donald LLP

Chartered Professional 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	
		2016	2015
ASSETS			
Current assets:			
Cash	\$	80,569	\$ 58,298
GST receivable		421	220
Prepaid expenses		2,317	5,498
	\$	83,307	\$ 64,016
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable and accrued liabilities	\$	10,307	\$ 120
Net assets:			
Unrestricted		73,000	63,896
	\$	83,307	\$ 64,016

APPROVED BY THE BOARD:


 _____ Director

 _____ Director

WINNIPEG PUBLIC LIBRARY BOARD

STATEMENT OF OPERATIONS

	<u>Year ended December 31</u>	
	<u>2016</u>	<u>2015</u>
Revenue:		
City of Winnipeg operating grant	\$ 79,315	\$ 79,315
Expenditures:		
Administrative	8,717	9,475
Development and research	10,323	13,379
Foundation donation	20,000	20,000
Language and literacy grants	-	5,000
Outreach Project	9,967	-
Promotion, advertising, and community outreach	6,204	5,939
Sponsorship	15,000	10,000
	<u>70,211</u>	<u>63,793</u>
Excess of revenue over expenditures	<u>\$ 9,104</u>	<u>\$ 15,522</u>

WINNIPEG PUBLIC LIBRARY BOARD
STATEMENT OF CHANGES IN NET ASSETS

	<u>Year ended December 31</u>	
	<u>2016</u>	<u>2015</u>
Net assets, beginning of year	\$ 63,896	\$ 48,374
Excess of revenue over expenditures	<u>9,104</u>	<u>15,522</u>
Net assets, end of year	<u>\$ 73,000</u>	<u>\$ 63,896</u>

WINNIPEG PUBLIC LIBRARY BOARD
STATEMENT OF CASH FLOWS

	December 31	
	2016	2015
Cash flow from operating activities:		
Excess of revenue over expenditures	\$ 9,104	\$ 15,522
Changes in non-cash working capital-		
GST receivable	(201)	900
Prepaid expenses	3,181	(2,174)
Accounts payable	10,187	(87)
	22,271	14,161
Change in cash		
	22,271	14,161
Cash, beginning of year	58,298	44,137
Cash, end of year	\$ 80,569	\$ 58,298

NOTE TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

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 amortized cost.

NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

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 (2015 - \$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, 2016

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.