

CALGARY PUBLIC LIBRARY

Board Meeting

5:30 PM, Wednesday, March 20, 2024
Central Library Boardroom 0-11



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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 Îlethka (*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. The City of Calgary is also homeland to the historic Northwest Métis and to the Otipemisiwak (*Oh-tay-Pem-soo-wak*) Métis Government, Métis Nation Battle River Territory, Nose Hill Métis District 5 and Elbow Métis District 6.

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 (*Goo-tss-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 2024

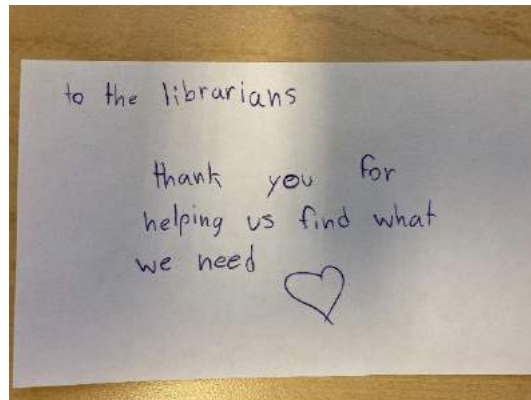
The first quarter of 2024 was a vibrant time for all locations as Calgary Public Library saw programming, service pilots, and new partnerships support communities across our city.

Last month was also an important time to remember the critical role libraries play in respectful and informed conversations by providing accessible, democratic spaces.

Freedom to Read Week ran from February 18 – 25 this year and is a time to celebrate our Charter-protected right to intellectual freedom. Libraries uphold these principles by making space for programs, materials, discussions, and other opportunities for Canadians to engage with difficult topics as well as with one another. As is tradition, the Library was welcomed to Calgary City Council to speak on the importance of the week and presented five books to Mayor Jyoti Gondek, each representing a different recurring theme we see in banned books, including sexuality, gender, historical context, race, and 2SLGBTQ+ content.

Libraries across North America continue to see concerning challenges related to intellectual freedom. The *Calgary Herald* published an OpEd from CEO Sarah Meilleur titled "[Why Our Fight for Intellectual Freedom Matters for All Canadians](#)." The article was well-received and generated more media attention for this important topic.

The [Leap into Love Reading Challenge](#) ran throughout February as well as part of Freedom to Read programming. Nearly 1,000 people registered and embraced the challenge to read three titles in genres that are often challenged or banned.



A love letter left for the team at Memorial Park Library

The Canadian Urban Libraries Council Working Group on Safety and Security launched the Safety and Security Toolkit for Public Libraries at the end of February. Heather Robertson, Director of Service Design and Innovation, was a key contributor to this national project team to create a toolkit that brings together best practices, strategies, and tips to support public libraries in their approaches to safety and security within their local context.

On March 22 the Library will be supporting TurnOut, an upcoming symposium hosted in partnership with the University of Calgary's School of Architecture and Planning, Calgary Municipal Land Corporation (CMLC), the City of Calgary, Bow Valley College, and the Downtown Association. TurnOut will bring together community partners to continue conversations related to safety and security, particularly in the downtown core, and seek opportunities for collaborative learning and action.

Government Relations

Following the Province of Alberta's 2024/2025 budget announcement, we have received confirmation from the Minister of Municipal Affairs that the provincial operating grant for public libraries will remain the same as the previous year. Though we appreciate the stability, the Library also maintains an ongoing dialogue with Minister McIver and his office on the benefits of linking the per capita funding to the most current data to ensure libraries are adequately resourced.

On March 5, 2024, the [City of Calgary announced \\$1.9 million](#) to support Civic Partners in improving safety in and around their facilities. Calgary Public Library received \$750,000 as a portion of this one-time funding. These funds will support several areas of safety and security, including increasing our security coverage in and around Library locations, enhancing our security equipment, developing new partnerships to help our community access other resources, and additional safety and security training to support our staff.

Public libraries across North America continue to experience an increase in the frequency and intensity of safety and security incidents in our spaces that require additional investment to address. This is particularly true for large urban libraries and for inner city library locations. The Library is pleased to see this increase in resources to help managing these ongoing safety issues.

Crowfoot Library was excited to host a special Storytime with the Honourable Rajan Sawhney, Minister of Advanced Education on March 6. Minister Sawhney enjoyed a brief tour of one of the system's busiest locations before delivering a fun and lively storytime to a big crowd of little readers.

The Public Library Services Branch (PLSB) has extended their contract with OverDrive for an additional two years that will subsidize funding for audiobooks produced by Blackstone Publishing and Tantor Media. With our memberships' growing interest in digital products, this additional \$30,000 value allows the Library to attain more high quality audiobooks and reduce wait times.

System Developments

As of this week, we are thrilled to welcome Jim Chisholm, our newly appointed Director, Technology. We look forward to getting to know Jim better as he begins to apply his expertise here at the Library.

As the Library moves into the year, we are seeing exciting new system-wide projects and opportunities for growth to better serve community needs.

One of the biggest projects of the year is preparing to open a new service location in Calgary's northeast. A leased storefront location in Skyview provides the Library an opportunity to test a new location model that may help us quickly respond to growing community demands in the future. Utilizing a design-thinking approach and prioritizing targeted service model development, we are proud to announce the new property will be known as Prototype Skyview.

Prototype by Calgary Public Library is a new location approach that seeks to understand and address unique community needs, while developing new Library services that can benefit the entire Calgary Public Library system. Prototype Skyview is a 3,000-square-foot temporary location in SkyPointe Landing. This location will be used for piloting and testing of new services to address evolving community needs and help inform the development of the planned Skyview Ranch location, which is part of a larger shared site development managed by the City of Calgary. Due to its size, Prototype Skyview will focus on digital and technology services. Following community consultation and collaboration, this space will change and adapt as it operates.

Prototype Skyview will enable staff to test new ideas, meet with community members, and enhance services to benefit that neighbourhood and beyond. Prototype Skyview is expected to open later this year.

This spring will also see the opening of the Engine 23 early learning experience at the freshly renovated Fish Creek Library. Fish Creek is the second largest location in our system and its extensive renovation includes a completed refreshed Children's Library that has Engine 23 as its

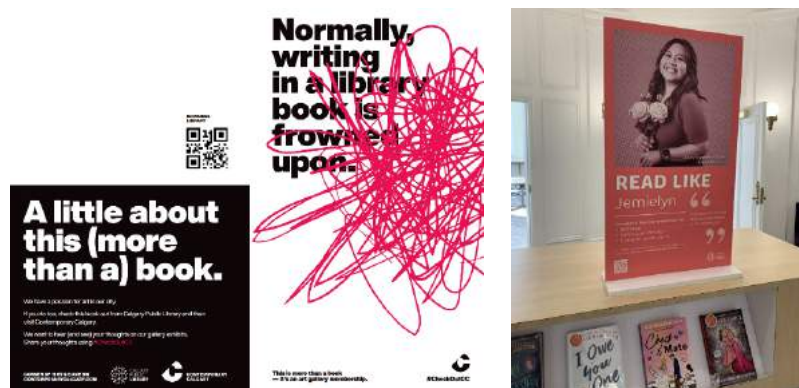
centerpiece. Staff have been busy preparing for the anticipated influx of children to the Library to ensure to ensure a safe, fun, and engaging environment for opening day and beyond.

With multiple new libraries planned for Calgary and ever-growing service numbers, the Library continues to prioritize system capacity. Staff training is a big part of our strategy to meet the current and anticipated needs of members.

In 2024, enhanced and new training opportunities were organized into two learning paths available to staff under the umbrella topics of Equity, Diversity and Belonging and Psychological Safety and Security. These will include trainings intended to support staff as well as empower them to provide support and refer to resources for others in matters of safety and security, engaging with vulnerable people, accommodating neurodiversity, and promoting allyship.

The Library Code of Conduct is one of the tools that support staff in maintaining an environment where everyone feels safe and welcome. Language in our Code of Conduct was recently updated to better reflect our commitments to equity, diversity, and belonging and stress a behaviour-based approach to maintaining welcoming and safe spaces.

On March 5, the Library announced a new partnership with Contemporary Calgary to create more community access opportunities through Art Pass books. These books will serve as a free family pass to their gallery and be distributed across Library locations. Members of the public can check out a book and visit the gallery for free. Each Art Pass book was designed to be written and drawn in, so it becomes a work of art on its own. There will also be a digital pass available on Libby.



105 Art Pass books are now available at locations

Read Like Jemielyn at Memorial Park Library

Read Like Me is a new reader advisory pilot that highlights the voices and book expertise of our staff. Read Like Me is an in-location display at five library locations: Country Hills, Village Square, Memorial Park, Central, and Crowfoot. Each display celebrates the reading habits of a staff Reader and location staff will then fill the display with books they think the Reader would love. Feedback will be collected in the coming weeks to support a system-wide launch this summer.

Operational Highlights

Central Library was once again a venue partner for Chinook Blast from February 2 – 19 this year. Central Library was a hub for live music, workshops, art installations and more. The largest event of Chinook Blast, Glow Fusion Experience, was also hosted at Central Library on February 9. This one-of-a-kind celebration by MakeFashion, Cirque De La Nuit, and Indi City was put on in collaboration with the Gai Lan Ensemble and the Asian Heritage Foundation. The event combined wearable tech, circus arts, and dance performances to showcase a mesmerizing fusion of cultures while celebrating the Lunar New Year. Prior to the event, the Calgary Chinese Cultural Centre provided a lantern-making workshop for families to create their own lanterns to welcome the new year. The evening drew over 450 attendees to the Shaikh Family Welcome Gallery and ended with a spectacular dragon dance and traditional drumming.

The Library hosted a series of events and discussions in honour of Black History Month this year. Headlining events included: film screenings of *True North: Inside the Rise of Toronto Basketball* and *The Road Taken* in partnership with the National Film Board; Jon Cornish: Power and Privilege in an Intersectional Life; Stories in Motion: Soca Rhythms with Simeon Peters; a screening of *John Ware Reclaimed* about the first Black cowboy to settle in Alberta; and a talk by the Library's former Historian in Residence, Bashir Mohamed, in an exploration of the history of key figures in Alberta's Black civil rights history.

All 21 locations were open for Family Day this year. The system had 15,616 visitors that day – a 41% increase in net visits compared to 2023. In partnership with The Camera Store and Canon, the Library offered free family portraits by professional photographers at 11 locations. Locations without a photographer had selfie stations for visitors to enjoy. Other elements included Storytime with your Stuff, a popular wooden bookmark craft, video games, board games, and special Family Day colouring sheets. Library volunteers played a pivotal role in the success of this special day, with 113 adult and youth volunteers supporting the festivities across the system.



Elder in Residence visits have been taking place across the system with Elder Evelyn Good Striker bringing smudging kits and new portable ventilators to community Library locations. Elder Good Striker has been sharing her knowledge and answering staff questions about the cultural context, sacred medicines, and appropriate protocol for smudging.

In March, the Library hosted a screening of *Love in the Time of Fentanyl* with Indigenous community members and sent a contingent of staff to attend the Indigenous Public Library Liaison meeting in Maskwacis to connect and learn from peers across the province. Next, Indigenous Services staff will be continuing to advance the work of the Library's Truth and Reconciliation Stewardship group and arranging activities for the Yissitsiyi Affinity group for Indigenous staff members across the system in partnership with Human Resources, while also preparing for annual National Indigenous History Month celebrations in June

We recently welcomed our new Storyteller in Residence, Marie Bryce. In a shift from the typical approach of fitting into multi-site programming in program rooms, Marie's offering will be a project based, open area drop-in format. Since February, Marie has been running her Community Story Booth during visits to Central, Memorial, Saddle Towne, and Shawnessy. Visitors to the Library have a unique opportunity to be a part of a digital community story circle where they can tell a story together. Participants are invited to record a video, audio, or written contribution, then Marie will weave them all into a final project which will be presented as part of her final showcase.

The collection of stories included in the Short Story Dispenser on Level 1M of Central Library is now entirely local. Through partnerships with FreeFall Magazine, Alexandra Centre Writers' Society and the University of Calgary Creative Writing program, the Library is able to share poetry and stories from talented writers across Calgary.

For the seventh year, Central Library was a host venue for literacy sessions offered by the Calgary City Teacher's Convention. Six of those sessions were offered by Library staff who shared their expertise. We were also pleased to welcome Alberta Books for Schools for a jointly presented

session about Alberta published resources for classrooms, including our own Treaty 7 picture book collection. Nearly 1,000 teachers attended sessions at the Library and even more circulated through the building to take in signage and displays throughout the Library intended to showcase the ways in which Library resources can support classroom learning.

Collections has completed an analysis of circulation data over the past five years to identify the most popular subjects in the non-fiction collection. The results show that medicine and health, food and drink, psychology, English language learning, and social science are the top subjects and could be seen to reflect the interests and needs of Calgarians. Sewing has also experienced a resurgence driven by eco-friendly practices as an alternative to fast fashion.

Supporting English language learners (ELL) is a priority at the Library and an area where we are actively seeking ways to provide helpful resources. Tours of Central Library for ELL visitors, our popular English Conversation Groups, and free digital language learning resources like Pronunciator and Bluebird are available now for members wishing to improve their English language skills. The Library has been collecting and ideating on data to identify the best approaches for meeting the community's English language learning needs.

As of February 1, 2024, the Central Library Wellness Desk has expanded its service to 48 hours over seven days each week, which resulted in visits doubling from those received in January. This expansion was made possible by the Calgary Public Library Foundation's work with our incredible donors as well as their successful application for a Connect the Dots grant from the City of Calgary. The Wellness Desk remains open for six hours each week at Crowfoot and Shawnessy. In 2023, over 600 visits for free, drop-in counselling services took place across those three locations. In the first two months of 2024, there have already been 119 visits to the three locations by individuals, couples, and families.

Impact Moments

Outreach continues to be a major focus at Village Square Library, between It's a Crime Not to Read visits to schools as well as visits to local partner organizations such as WINS Calgary and Calgary Housing. A staff member shared a story from an outreach session in February:

We did a Black History Month activity in Applewood that included making a Black excellence wall with profiles of many famous Black Canadians. We also provided sticky notes for participants to add their own examples of Black excellence, letting them decide what Black excellence meant to them. A lot of the kids put their own names on the board, showing a pride in their identity and excellence that was heartwarming to be a part of and shows the impact of highlighting stories that haven't always been celebrated.

The Library is open as a warm place to spend the coldest days and staff try to distract from the cold in ways that will engage their visitors:

Louise Riley Library staff brought out a kiddie pool filled with pool noodles and arranged a display of beach books on a -36C day to reward visitors with something fun after braving the cold to come in. After enjoying the "beach party", caregivers sought out staff members to thank them for the photo opportunity and fun surprise.

With Central Library's art display fully booked for the coming months, Seton Library has seen a dramatic increase in interest in its own art display. Local artists have been applying to showcase their work and many are hobbyists or young teens who do not usually have the opportunity to share their work with the public. February's art display featured Kyle Goudie, a regular Seton Library patron who often brings his son to the branch in the evenings. Goudie has done some live art demonstrations in which other visitors have taken great interest. Goudie has described this experience as being very valuable for him and noted:

"I really enjoyed connecting with the families that were interested in my art and art in general!"

Unapproved Minutes
Governance Committee Meeting
Calgary Public Library Board
Online via Microsoft Teams
Tuesday, October 3, 2023
5:30 pm

In Attendance:

Board

Andrew Rodych (Chair)
Haritha Devulapally

Regrets

Al-Karim Khimji
Crystal Manyfingers
Sheeba Vijayan

Administration

Sarah Meilleur, *CEO*
Amanda Robertson, *Senior Executive Assistant (Acting)*
Sara Lim, *Executive Assistant (Acting)*
Heather Robertson, *Director, Service Design and Innovation*

1. Treaty 7 Opening

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

2. Review of Agenda

MOVED by Andrew Rodych that the October 3, 2023 agenda be approved as presented.

Carried unanimously

3. Approval of Minutes

MOVED by Andrew Rodych that the minutes of the September 5, 2023 Governance Committee meeting be approved as presented.

Carried unanimously

4. Business Arising

Haritha Devulapally shared that the Board appointment nominees have been notified of their tentative appointments and have all indicated their ongoing interest and availability to join the Board. Devulapally noted that a third candidate has been added to the reserve list, approved by Urgent Motion via email on Monday, October 2. Administration confirmed that orientation for new Board Members will begin once official notice is received.

5. Board Relations

A. Governance Committee Skills Matrix Results

Andrew Rodych presented the Committee Skills Matrix results to discuss which skills the current Committee members recommend for the 2023-2024 Committee composition. The Committee felt the results were non-valid considering the small sample size and noted that many of the highest ranked skills in the results did not reflect skills relevant to the Governance Committee Workplan.

The Committee suggested that going forward, the process should be a review of the prior year’s results, as the skills of each committee are not expected to change drastically year over year. The Committee recommended conducting the Skills Matrix Review once every two years, rather than every year.

Because of the low response rate in the 2022-2023 survey, the Committee recommends that the 2021-2022 Committee Skills Matrix results be presented at each of the upcoming Committee meetings for review before circulation in advance of the Board Organizational meeting.

6. Board Self-Evaluation

A. Exit Interviews

Andrew Rodych advised that he and Board Vice-Chair Evan Legate will invite departing Board member Sheeba Vijayan to participate in an exit interview. As Rodych is also a departing Board member, his exit interview will be conducted by Legate.

Task	Responsible	Deadline
Schedule exit interview as directed.	Andrew Rodych Evan Legate	November 2023

7. 2023 Workplan Review and 2024 Workplan Recommendations

The Committee reviewed the 2023 Governance Committee workplan and discussed recommendations for the 2024 workplan.

Andrew Rodych recommended that the 2023-2024 Governance Committee review the timing of the items related to CEO evaluation as these are subject to change each year.

The Committee directed Administration to update the 2024 recommendations as follows:

- Update item 28 to reflect that the 2023 Survey Action will occur in March
- Update item 30 to reflect that guideline development will begin in February, rather than January, as the orientation process for new Board members is still active in January
- Remove item 31 and include it in item 29 to allow the best approach for incorporating Indigenous ways of knowing in the Board policies to be determined in collaboration between Administration, the Board, and Elders

Task	Responsible	Deadline
Make changes to the workplan as directed.	Administration	January 2024

8. Other Business

None.

9. Adjournment

MOVED by Haritha Devulapally that the meeting be adjourned at 6:29 pm.

Transcribed by Sara Lim

Andrew Rodych
Committee Chair

Unapproved Minutes
Governance Committee Meeting
Calgary Public Library Board
Online via Microsoft Teams
Wednesday, February 7, 2024
5:30 pm

Board in Attendance:

- Dana Saric (Chair)
- Kate Andrews
- Haritha Devulapally
- Evan Legate
- Aaron J. Noga

Regrets:

- Gillian Hynes
- Al-Karim Khimji
- Crystal Manyfingers

Administration in Attendance:

- Heather Robertson, Director, Service Design and Innovation
- Jillian Palbom, Senior Manager, Human Resources Operations
- Amanda Robertson, Executive Assistant

1. Treaty 7 Opening

Aaron J. Noga respectfully opened the meeting with a land acknowledgment.

2. Review of Agenda

The Committee determined that in light of the Chief Executive Officer 360-degree service provider discussion being largely informed by confidential proposals from bidding vendors, the discussion should be held in camera.

MOVED by Kate Andrews that the March 6, 2024 agenda be approved as amended.

Carried unanimously

3. Approval of Minutes

MOVED by Haritha Devulapally that the minutes of the October 3, 2023 Governance Committee meeting be approved as presented.

Carried unanimously

MOVED by Evan Legate that the minutes of the February 7, 2024 Governance Committee meeting be approved as presented.

Carried unanimously

4. Business Arising

None.

5. Mini Moment

Members of the Committee shared recent moments of appreciation and connection they experienced with the Library system. Kate Andrews described her experience hosting Storytime with a Stuffedie at Seton Library. Haritha Devulapally shared her gratitude for the Library as a resource to entertain and support the early learning of her child.

Evan Legate advised that he and Margaret Wu recently attended the Calgary Public Library Foundation board retreat where they were inspired by the volunteer commitment and passion of the Foundation board members.

6. Board Recruitment

A. Confirmation of Re-appointment Candidates Update

Dana Saric advised that after speaking with Al-Karim Khimji and Evan Legate, she has now received written confirmation from each eligible candidate that they plan to stand for re-appointment in 2024. As the next step, Saric will solicit feedback privately from each member of the Board to affirm or share concerns about the ongoing eligibility of each candidate.

B. Board Member Search Requirements and Process

Heather Robertson reviewed the information she gathered from the 2023 Board recruitment service provider as directed by the Committee at the February 7, 2024 meeting. Administration had sought additional information about the service provider due to a corporate amalgamation being undertaken by that service provider and another firm based in Edmonton, Alberta. The Committee are satisfied with the ongoing eligibility of the 2023 service provider to support a 2024 search under the existing contract expiring in 2025 if such work takes place.

The Committee was unable to determine whether a search will be needed in 2024 now that the two re-appointment candidates have stated their intentions to apply for second terms and are awaiting confirmation from the Governance Committee Chair after a confidential poll of Board members for assent.

The Committee is also aware of proposed amendments to the *Libraries Act of Alberta* that could include changes to the size of library boards allowed under the Act. If that amendment were to pass in the spring session of the Legislative Assembly of Alberta, then the Committee would prefer to take advantage of that change this year and consider recruiting one additional public member while requesting the appointment of one additional Councillor member as well.

The Committee directed Administration to stand by and not take action until more information becomes available. Once the confidential poll of members about re-appointment candidates is complete, the Committee will contact 2023 reserve list candidates to ascertain their ongoing interest and availability. After that, Administration may contact the City of Calgary to communicate the Board's intentions to wait and monitor for an amendment to the *Libraries Act* or to proceed if necessary.

MOVED by Kate Andrews that the 2023 Board recruitment service provider operating under new ownership be approved by the Governance Committee for continued use per the current

contract pending confirmation of a 2024 recruitment campaign.

Carried unanimously

C. Skills Matrix Review and Circulation

The Committee reviewed the annual skills matrix, which is circulated each year for the purposes of succession planning and recruitment strategy. This is distinct from the committee-level skills matrix circulated at the end of the year to support a balanced committee composition at the Organizational meeting.

The Committee approved the form and content of the matrix and directed Administration to circulate the document to all Board members before a deadline of March 20, 2024.

MOVED by Evan Legate that the Governance Committee approve the Skills Matrix as presented and direct Administration to circulate the document to the Calgary Public Library Board before the deadline of March 20, 2024.

7. Chief Executive Officer Performance Review

A. CEO 360 Review Service Provider Procurement

Because confidential quotations were received from prospective service providers for the Committee to review, the Committee agreed that most of this discussion will take place in camera.

Dana Saric advised that in light of being unable to attend this meeting, Gillian Hynes had provided feedback in advance regarding one of the questions to be provided in the CEO 360 survey. The item had previously read, "The CEO meets regularly with stakeholders to keep them informed of new developments or continuing progress". The proposed amendment approved by the Committee reads, "The CEO consults with diverse groups to seek their input in decisions and issues facing the Library".

ACTION – Dana Saric to provide a copy of the CEO 360 survey questions to Administration to be filed in the Board Resources for continuity of access to all Board members.

8. Bylaws, Policies, and Processes

A. Volunteer Committee Member Guideline Draft

Heather Robertson reviewed highlights from the draft process document intended to provide a guideline for recruitment of volunteer members on Board standing committees. Robertson advised that Volunteer Resources has provided assurances that timelines and requirements can always be adjusted to suit the needs of each role.

MOVED by Haritha Devulapally that the Volunteer Committee Member Guideline draft be recommended by the Governance Committee to the Calgary Public Library Board for approval.

9. Governance Committee Workplan Review

The action to form an ad hoc Board recruitment committee was not completed in March as the Governance Committee is awaiting further information. The Committee determined that this will be actioned or placed on hold for 2024 in April or May.

ACTION – That Administration revise the workplan as directed.

10. Other Business

Haritha Devulapally asked the Committee whether formal succession planning should be added to the workplan in 2024. Members of the Committee shared that in previous meetings, they had determined this year’s workload would be heavy already and that succession discussions will take place as needed. The Committee directed Administration to add succession planning to the proposed workplan for 2025.

11. In Camera

MOVED by Kate Andrews that the Governance Committee move in camera at 6:36 pm.

Carried unanimously

The Committee dismissed all others from the meeting with the exception of Jillian Palbom.

MOVED by Aaron J. Noga that the Governance Committee rise and report.

Report:

1. That information provided In Camera to the Governance Committee of the Calgary Public Library Board dated March 6, 2024, remain confidential under the Freedom of Information and Protection of Privacy Act; and further that the Governance Committee direct Administration to conduct further evaluation of two bids for the CEO 360 contract and selecting one without returning to the Committee.

Carried unanimously

12. Adjournment

MOVED by Kate Andrews that the meeting be adjourned at 6:49 pm.

Transcribed by Amanda Robertson.

Dana Saric
Committee Chair

**Calgary Public Library Board
Governance Committee
Committee Volunteer Appointment and Management Process – Draft
March 6, 2024**

Background

The Calgary Public Library Board Bylaw was revised in 2017 to include a provision under section 5.3 for a mechanism to add non-voting members to standing committees with the purpose of fulfilling specific needs on the committee at that time. This process document outlines the steps required to initiate and complete the process of identifying opportunities, then recruiting, appointing, and managing volunteers. Where there is a discrepancy between any process document and the Board Bylaw, the Bylaw will take precedence.

Criteria

Regarding opportunities for volunteers on committees, section 5.3 of the Board Bylaw states:

- (a) *The Committee must identify a clear need for community expertise and experience. Ideally, this voice (or voices) would add expertise, diversity and opinion separate from those articulated by the current Committee members.*
- (b) *Volunteer positions are non-voting, fixed term, and do not make up quorum.*
- (c) *The recommendation to add volunteer position(s) to Committees must be approved by the Board.*
- (d) *If recruitment is required, it will be coordinated by the Library staff member responsible for volunteer resources and opportunities should be advertised, at a minimum, through the Library website and other channels where applicable*
- (e) *Prospective volunteers will be screened and interviewed in accordance with Library practice; they must complete an orientation program as part of participation on a Committee.*
- (f) *Evaluation of the volunteer position, including performances issues, will be addressed by the Committee and/or Board Chair.*

When the work of a Standing or Ad Hoc Committee is routinely of a confidential nature, volunteer community members will not be appointed.

Initiating New Volunteer Opportunities

When a Standing or Ad Hoc Committee identifies a gap in the knowledge or capacity of its members that could be remediated with a non-voting, fixed term volunteer, the following steps must be undertaken to initiate the appointment:

- The Committee will pass a motion to recommend to the Board the reason and duration for which one or more volunteers should be appointed.
- If a motion approving the recommendation is passed by the Board, the Committee may then direct Administration to initiate the Library's internal volunteer recruitment process.

Recruitment Process

- The Library department responsible for volunteer resources will coordinate the recruitment process with the Chair of the committee (or designate) that initiated the

request. This will include confirming the requirements for the volunteer placement including:

- Parameters of the project or area of need
- Desired knowledge, experience, and/or skillsets
- The number of hours required and timeline for engagement
- Other requirements (e.g., how many meetings must be attended, deliverables required at end of the volunteer term)
- As per best practice, all opportunities will be advertised through the Library website and other channels as appropriate for a minimum of 2 weeks or until filled. If there is an urgent nature to the request, these timelines may be adjusted.
- If individuals have been identified by Board members as potential candidates, Board members will be encouraged to invite those individuals to apply.
- Applications will be submitted via calgarylibrary.ca/volunteer and forwarded to the Committee for review and consideration.
- A panel comprised of the Committee Chair (or designate) and at least one other member of the Standing or Ad Hoc Committee will:
 - Conduct an initial review of applications to complete a short list of candidates. The short list will be reviewed by all members of the Standing or Ad Hoc Committee to confirm interview candidates.
 - Set up and coordinate interviews for selected candidates. The department responsible for volunteer resources will support the development of interview questions as required.
 - Conduct the interviews and make a recommendation to the full Standing or Ad Hoc Committee for approval.

Confirmed candidates will be sent a placement letter formally inviting them to attend specific Committee meetings in a volunteer capacity. A completed background check will need to be submitted prior to the volunteer placement commencing. The letter will outline the terms of the placement (e.g., scope, limitations, time commitment, end date, etc.)

Onboarding

- The Committee Chair (or designate) will provide orientation to the work of the Board, the Committee, and the specific project the volunteer was recruited to complete.
- The volunteer will read and acknowledge the Board's Team Charter, the Committee mandate, and Board Bylaws.

Oversight

- The Committee Chair will manage the volunteer's participation.
- If the volunteer is unable to fulfill the terms of their role or adhere to the constraints of the Team Charter, Committee Mandate, or Board Bylaw, the Committee Chair will initiate a verbal conversation to identify the concern and provide an opportunity to correct it.
 - If the volunteer's performance and/or conduct do not improve, the Committee can relieve the volunteer of their commitment and terminate the placement before the agreed end date.
- Completion of volunteer opportunity is either the completion of task (if applicable) or number of hours outlined in the placement letter.

- Volunteer data will be entered in the Library's Better Impact software under the category of "Board Project Volunteer Opportunity".
- At the end of the volunteer term, the number of hours will be submitted to the department responsible for volunteer resources for inclusion in the Better Impact software.

**Unapproved Minutes
Strategy and Community Committee Meeting
Calgary Public Library Board
Online via Microsoft Teams
Wednesday, February 14, 2024
5:30 pm**

Board in Attendance:

- Crystal Manyfingers (Chair)
- Kate Andrews
- Gillian Hynes
- Al-Karim Khimji
- Evan Legate
- Margaret Wu

Regrets:

- None

Administration in Attendance:

- Sarah Meilleur, *CEO*
- Mary Kapusta, *Director, Communications and Engagement*
- Amanda Robertson, *Executive Assistant*

1. Treaty 7 Opening

Kate Andrews respectfully opened the meeting with a land acknowledgment.

2. Chair's Opening Remarks

Crystal Manyfingers welcomed everyone to the meeting and shared her enthusiasm for the upcoming discussions on the retreat planning and workplan review.

3. Review of Agenda

MOVED by Al-Karim Khimji that the February 14, 2024 Agenda be approved as presented.

Carried unanimously

4. Approval of Minutes

MOVED by Evan Legate that the minutes of the January 17, 2024 Strategy and Community Committee meeting be approved as presented.

Carried unanimously

5. Business Arising

The Committee shared updates regarding recent and upcoming engagement with their community library liaison clusters. Among others, Kate Andrews and Al-Karim Khimji will be visiting their respective locations on Family Day to support system-wide activations.

6. Workplan Review

Mary Kapusta presented a proposed update to the workplan incorporating the suggested spotlight report topics for 2024 arising from the Committee's feedback at the January 17, 2024 meeting. The spotlight reports for this year will include:

- Literacy and Learning Supports in April
- Collection Trends and Planning in June
- Innovation Engine in June
- Lifecycle Updates and System Planning in September
- Digital Equity in October

Administration advised that feedback from the Indigenous Services team in 2023 indicated that the usual timing of their annual Spotlight Report was putting additional pressure during times of heightened activity for that department. With the Committee's consent, Administration will not put forward a formal report from Indigenous Services in 2024 and will instead undertake consultation to ensure the Library's work in Truth and Reconciliation is being shared year-round for the Board's information.

7. Retreat Planning Discussion

Mary Kapusta reviewed the Retreat Planning Committee's recommendations for the retreat agenda. To date, plans for the day include: beginning with an in camera session for Board members only, an opening land acknowledgment and blessing with the Board and ELT; a teambuilding session led by an external facilitator; a work session supporting the Board's connection to the strategic plan; and a sharing circle. Kapusta shared the Planning Committee's outstanding questions with the Strategy and Community Committee for consultation and alignment.

Gillian Hynes, Evan Legate, and Margaret Wu joined the meeting at 6:00 pm

The Strategy and Community Committee agreed with the proposed agenda and provided input on decision points and next steps:

- The teambuilding session will seek to create a greater understanding between Board members within the framework of the Team Charter, highlighting the values of each individual and how those are shared through the group.
- The work session will seek to draw connections between Board members and the 2023-2026 Strategic Plan with the following objectives:
 - a. Understand how Board members can use their unique skills and experiences to advance the Strategic Plan
 - b. Define the appropriate Board level of advocacy beneficial to the Library at this stage in the budget and strategic planning cycle
 - c. Develop a personal plan or approach for Board member advocacy in the style of a Build Your Personal Pitch workshop
- Crystal Manyfingers agreed to share her knowledge by facilitating a Sharing Circle to end the day.

ACTION – Administration will source facilitator options for the teambuilding session and present them to the Planning Committee for selection in March.

ACTION – Administration will continue to coordinate with the Indigenous Services team to support an Elders blessing to open the day.

ACTION – Crystal Manyfingers to advise the Planning Committee and Administration of her needs for hosting the session.

8. Other Business

None.

9. Adjournment

MOVED by Margaret Wu that the meeting be adjourned at 6:33 pm.

Transcribed by Amanda Robertson.

Crystal Manyfingers

Committee Chair

Unapproved Minutes
Audit and Finance Committee Meeting
Calgary Public Library Board
Online via Microsoft Teams
Wednesday, January 24, 2024
5:30 pm

Board in Attendance:

- Haritha Devulapally (Chair)
- Evan Legate
- Aaron J. Noga
- Dana Saric
- Margaret Wu

Administration in Attendance:

- Sarah Meilleur, *CEO*
- Katrina Ducs, *Financial Services and Procurement Lead*
- Doug Durant, *Security Advisor*
- Chae Jun, *Controller*
- Paul Lane, *Director, Strategy and Planning*
- Amanda Robertson, *Executive Assistant*
- Heather Robertson, *Director, Service Design and Innovation*

Guests:

- Harman Gill, *Deloitte*
- Gabriella Greensill, *Deloitte*

1. Treaty 7 Opening

Dana Saric respectfully opened the meeting with a land acknowledgment.

2. Review of Agenda

MOVED by Aaron J. Noga that the March 13, 2024 Agenda be approved as presented.

Carried unanimously

3. Approval of Minutes

MOVED by Aaron J. Noga that the minutes of the January 24, 2023 Governance Committee meeting be approved as presented.

Carried unanimously

4. Business Arising

Haritha Devulapally advised the Committee that she will be unable to attend the March 20, 2024 Regular Meeting of the Calgary Public Library Board and asked for a volunteer to deliver the Audit and Finance report to the Board on that date. Aaron J. Noga volunteered to provide the report on behalf of the Committee.

5. Safety and Security Report

Doug Durant presented highlights from the Safety and Security Report, which was provided as a review of statistics and community trends in safety and security incidents for the year ended December 31, 2023. The categories included in these incident reports include abusive behaviour, assault, alcohol use, and drug activity.

There was a significant increase in safety and security incident reports at Central Library in 2023. Even accounting for seasonal variability, Central Library incident reports were above average for the entire year. This is consistent with levels experienced by nearby community partners serving the public.

Key trends the Library has been monitoring include a significant increase in incidents related to drug activity. A second key trend is the impact of encampments of unhoused people in the exterior areas of Central Library as well as the social disorder that sometimes accompanies this behaviour. The third trend is a significant increase in medical response calls and opioid poisonings. These trends are being observed throughout Calgary and particularly in downtown neighbourhoods.

Mitigating safety and security issues remains a high priority topic. Library staff are provided with training, mental health supports, and other resources to help them in preparing for and responding to incidents. Staff are also guided to report issues to trained security team members or external emergency response teams when needed. The Library has been taking steps to increase training in this area and will be launching a new online module this Spring for staff to learn or refresh their awareness of the ways in which they can help make the Library a safe and welcoming environment for all members of the community.

The Library actively mitigates safety and security risks in numerous ways. In particular, over the last year, the Library has: increased patrols of high risk areas, such as Central Library washrooms; changed to a new security service provider with a different training program believed to better support the Library environment; updated training resources for Library staff; increased activation of interior and exterior spaces with programming and activities to discourage unwanted behaviour and encourage positive engagement; partnered with community organizations more directly empowered to address the root causes of houselessness and social disorder; and engaged with other library systems through the Canadian Urban Libraries Council (CULC) safety and security working group to help develop and launch the new CULC Safety and Security Toolkit. .

Durant advised that the Library continues to monitor trends and seeks to mitigate potential risks proactively before they become an issue at Central Library or community libraries. Root causes of houselessness, hunger, social disorder, mental health, addiction, affordability, and other factors impacting vulnerable populations cannot be resolved by the Library, so prevention and mitigation remain the primary approach.

Margaret Wu and Evan Legate joined the meeting at 6:00 pm.

MOVED by Dana Saric that the Audit and Finance Committee receive the Safety and Security Report for information as presented.

Carried unanimously

Doug Durant left the meeting at 6:08 pm.

6. Controller's Report for the Year Ended December 31, 2023

Chae Jun presented highlights from the Controller's report for the year ended December 31, 2023.

There was a slight increase in the cash balance at year end. The liquidity ratio decreased slightly. Overall levels of cash and net financial assets remain strong.

One notable change in reporting is the removal of inventory from the Statement of Financial Position due to its insignificance in terms of materiality. Inventory will instead be recognized as an expense at the time it is incurred.

The level of operating activities and subsequent vendor payments increased rapidly in 2023, so Management continues to monitor the liquidity ratio closely.

MOVED by Dana Saric that the Controller's Report for the Year Ended December 31, 2023 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, 2023

Deloitte representatives Harman Gill and Gabriella Greensill joined the meeting at 6:22 pm to present the auditor's findings for the year ended December 31, 2023.

Gill advised that costs above the regular audit fees are attributed to a Library system conversion as well as the new procedures with respect to adoption of Section 3280, *Asset Retirement Obligations*.

Greensill outlined the two most significant risks of fraud. The first 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. The second significant risk is the adoption of the asset retirement obligation (ARO) accounting standard in 2023.

Deloitte agreed with Management's decision not to record two line items, but documented both officially as uncorrected misstatements as they rose above the \$145,000 threshold for triviality. The first is the system-wide ARO assessed as a \$272,000 liability, which was not recorded due to it being far below materiality of \$2.9 million as well as the unlikelihood of it being realized. The second line item was the assessment of the useful life of a playground with an amortization of \$250,500, also due to a lack of materiality. As this rose above the \$145,000 threshold for materiality, this was documented officially as an uncorrected misstatement. Deloitte obtained sufficient audit evidence to conclude that there were no material misstatements.

Deloitte advised that the auditor had identified no significant misstatements, control deficiencies, or disclosure deficiencies relative to materiality.

MOVED by Evan Legate that the Auditor's Report for the Year Ended December 31, 2023 be recommended by the Audit and Finance Committee to the Calgary Public Library Board for information as presented.

Carried unanimously

MOVED by Margaret Wu that the Audited Financial Statements for the Year Ended December 31, 2023 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 Haritha Devulapally that the Audit and Finance Committee move in camera.

Carried unanimously

At 6:39 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 Margaret Wu that the Audit and Finance Committee rise without reporting.

Carried unanimously

10. Adjournment

MOVED by Dana Saric that the meeting be adjourned at 6:45 pm.

Transcribed by Amanda Robertson.

Haritha Devulapally
Committee Chair

**Report to the
Calgary Public Library Board
Audit & Finance Committee
Controller's Report for the Year Ended December 31, 2023
March 13, 2024**

The management financial reports of Calgary Public Library for the year ended December 31, 2023, 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
- Lifecycle Funding and Spending Profile
- Operating Reserve Fund
- DRAFT – Audited Financial Statements and Notes

As we close the financial books for the year, this report presents a comprehensive overview of our financial performance for the fiscal year ended December 31, 2023.

Our liquidity position has been a focal point of our financial strategy and while there has been a slight decrease in liquidity compared to the prior year, our current ratio remains relatively high. This indicates our ability to meet short-term obligations with our current assets. We continue to closely monitor our net financial assets to ensure stability and sustainability in our financial operations.

The cash balance at year-end stood at \$12.6 million, representing an increase of \$0.89 million from the previous year-end balance. While this increase is slightly lower than the change observed in the previous year (\$1.27 million), it is indicative our commitment to prudent financial management. As reported in previous communications, our operational activities have significantly picked up since Q3 2023, and this momentum has continued to increase into 2024.

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 lifecycle and GST. 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 and the unrecognized City one-time funding which carries forward to 2024.

Inventory has been eliminated from the Statement of Financial Position due to its insignificance in terms of materiality. It will be recognized as an expense when incurred.

C. Revenues

Revenues were \$0.97M favourable at year-end.

Line 5 – City of Calgary - \$684,178U at December 31, 2023 and \$14,035F at September 30, 2023

The unfavourable variance is due to the unrecognized City one-time funding which carries forward to 2024.

Line 9 – Province of Alberta - \$356,503F at December 31, 2023 and \$268,057F at September 30, 2023

The favourable variance is due to the population update for the Per Capita Grant.

Line 19 – Interest and other revenues - \$1,045,508F at December 31, 2023 and \$763,883F at September 30, 2023

The favourable variance reflects the higher interest rate, increased printing revenue, and Performance Hall rental fees. The Library also received \$100K shared reserve from the Genesis Centre.

Line 22 – Grants and sponsorships - \$241,673F at December 31, 2023 and \$598,388F at September 30, 2023

The favourable variance reflects the additional grant received in 2023, net of the restricted grant carry forward to 2024.

D. Expenses

Total expenses were \$1.22M favourable for year end.

Line 29 – Salaries and employee benefits - \$903,268F at December 31, 2023 and \$563,601F at September 30, 2023

The favourable variance is mainly due to the reallocation of City one-time funding and vacancies.

Line 32 – Collections - \$189,551U at December 31, 2023 and \$256,868F at September 30, 2023

The unfavourable variance reflects the additional funds allocated from the Foundation grants and City one-time funding.

Line 48 – General operating - \$679,292F at December 31, 2023 and \$971,858F at September 30, 2023

The favourable variance reflects the projects carry forward to 2024.

Line 54 – Building and equipment - \$721,650U at December 31, 2023 and \$181,334U at September 30, 2023

The unfavourable variance reflects the Fish Creek Engine 23 Fire Truck project (funded by a Foundation grant) and lifecycle funded expenses.

Line 74 – Occupancy Costs - \$25,634F at December 31, 2023 and \$22,169F at September 30, 2023

The favourable variance is mainly due to the Seton Library operating cost savings.

Line 75 – Amortization - \$519,990F at December 31, 2023 and \$183,838F at September 30, 2023

The favourable variance is due to timing of tangible capital asset additions.

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, 2023.

Prepared by Chae Jun CPA, CGA, MBA
Controller

Commentary

- The cash position included in this year-end report contains the beginning and ending balances of the year. Throughout the year, the report will also include the projected year-end balance.

- 2023 year end cash balance includes the restricted operating reserve, accounts payable and deferred revenue, and lifecycle fund.

- The annual cash position increase is as follows: 2022 vs 2021: \$1.27M, 2023 vs 2022: \$0.89M.

- The year-end dashboard includes the budget vs actual variances. Throughout the year, the report will present the forecast changes.

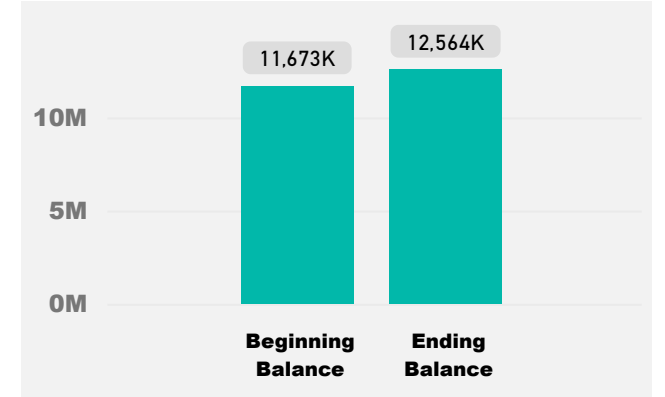
- The City revenue decrease reflects the unrecognized City one-time funding which carries forward to 2024.

- Provincial revenue increase is due to the population update of the Per Capita Grant.

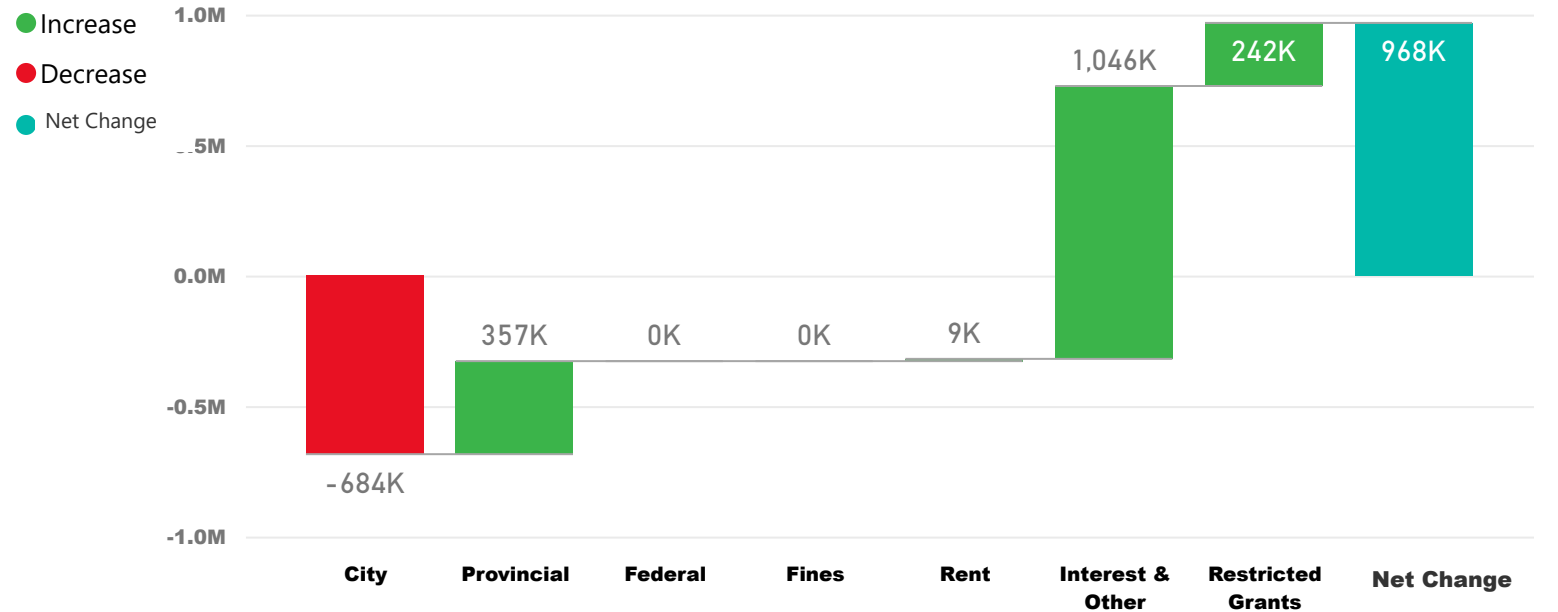
- Interest and Other Revenue increase reflects the higher interest rate, increased printing revenue and Performance Hall rental. The Library also received \$100K shared reserve from the Genesis Centre.

- Restricted Grants increase reflects the additional grant received in 2023, net of the restricted grant carry forward to 2024.

2023 Cash Position



Revenue Variance, Projected Actual vs. Board-Approved Budget



Board-Approved Budget Revenues
67,723K

Revenues, Projected Actual
68,691K

Commentary.

- Salaries and Benefits decrease is mainly due to the reallocation of City one-time funding and vacancies.

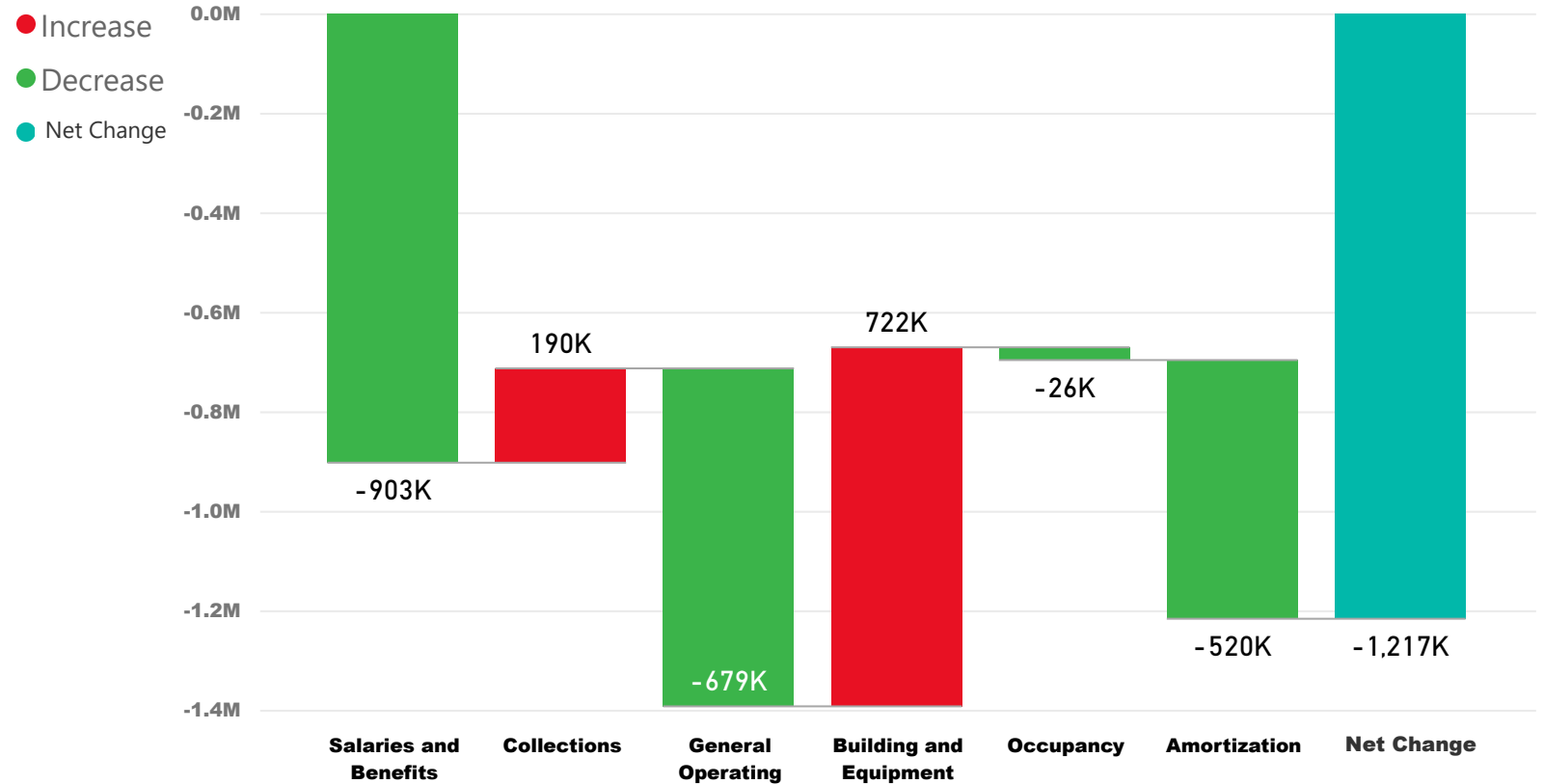
- Collections increase reflects the additional funds allocated from the Foundation grants and City one-time funding.

- General Operating decrease reflects the projects carry forward to 2024.

- Building and Equipment increase reflects the Fish Creek Fire Truck project (funded by the Foundation grant) and lifecycle funded expenses.

- The decrease in amortization is due to timing of TCA additions.

Expense Variance, Projected Actual vs. Board-Approved Budget



Board-Approved Budget Expenses
74,240K

Expenses, Projected Actual
73,023K

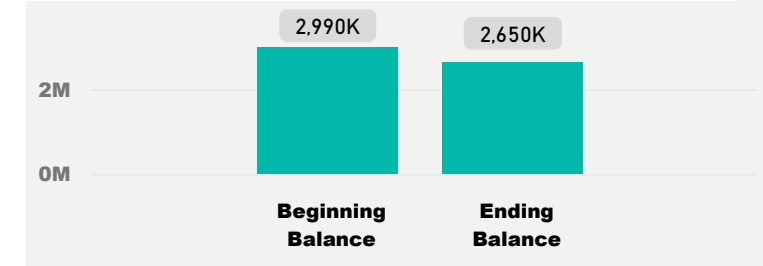
Lifecycle Funding Commentary

- The decrease in lifecycle fund position is mainly due to funding of the Operation Centre renovation and the timing of the lifecycle City invoices.

- Carry forward funds include \$1.3M of The City lifecycle funding and \$0.9M asset management funds from PYs.

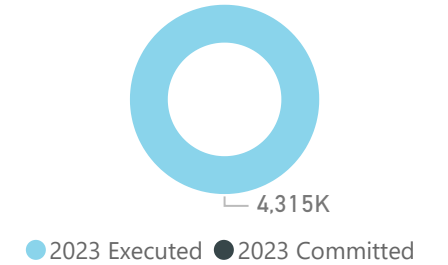
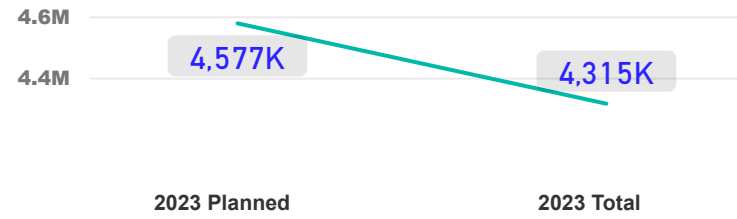
- Current year funds include \$2.4M of The City lifecycle funding and \$0.2M asset management from the operating funds.

2023 Lifecycle Fund Position

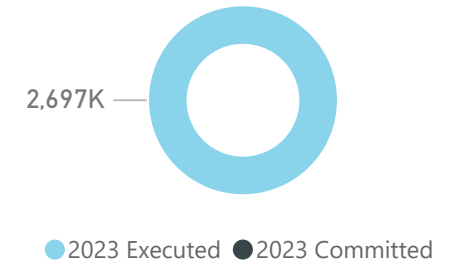


Funding Source

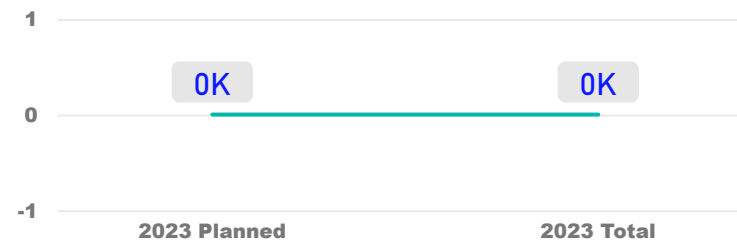
Carry Forward



Current Year Funds



Growth Projects Funds



Lifecycle Spending Commentary

- Carry forward projects mainly include: Saddletowne, Shawnessy, and Fish Creek renovation projects.

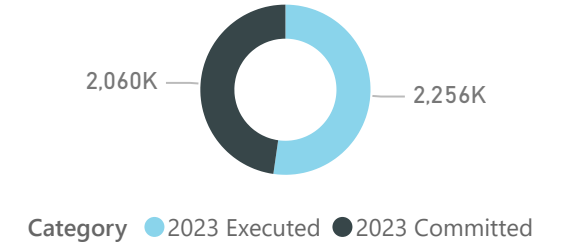
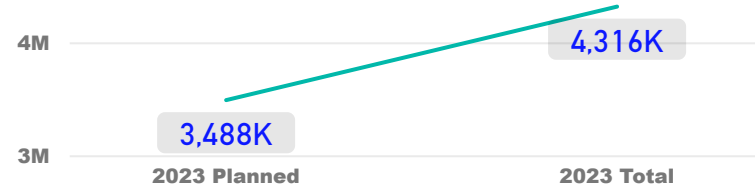
- Building spending decrease is due to the reallocation of funds to the Fish Creek carry forward project. The building spending includes the Operation Centre renovation and Asset Management.

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

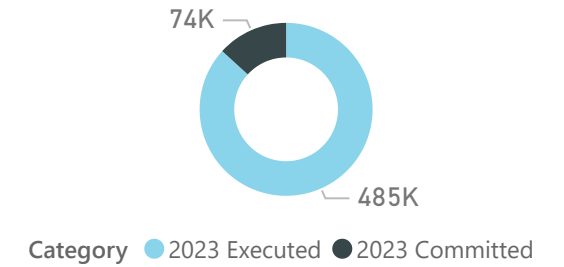
- The Library purchased three cargo vans and ordered two additional delivery trucks.

Spending Profile -1-

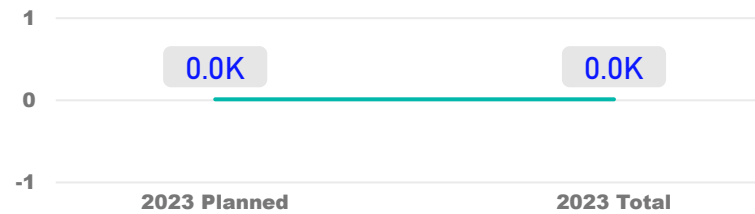
Carry Forward Projects



Building

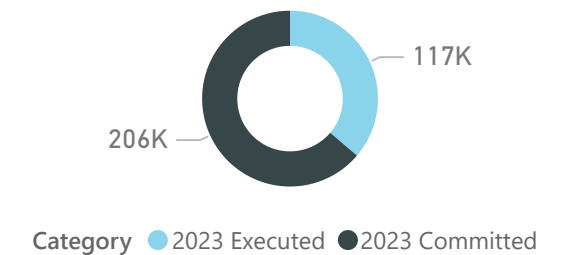
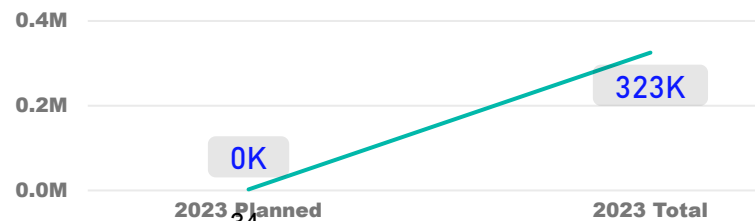


Furniture



Category ● 2023 Executed ● 2023 Committed

Vehicles

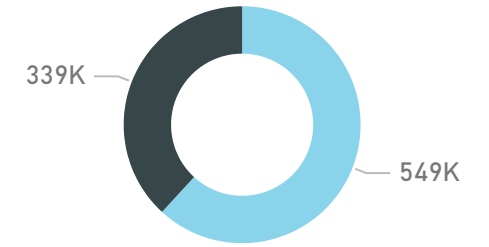
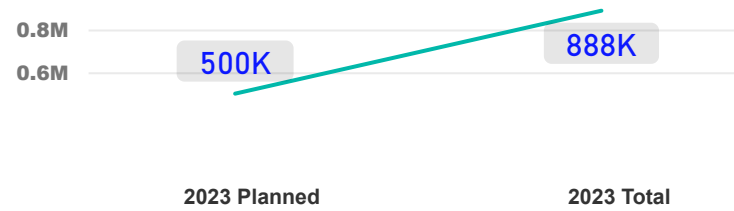


Commentary:

- IT lifecycle spending includes network and end-user equipment replacement, and the automated material handling equipment for Saddletowne.

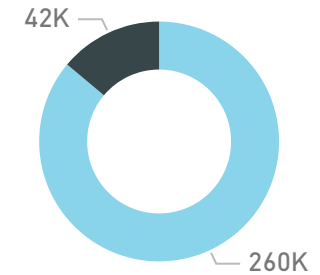
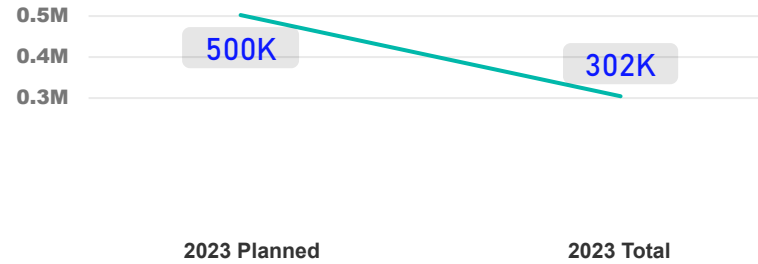
Spending Profile -2-

Technology



Category ● 2023 Executed ● 2023 Committed

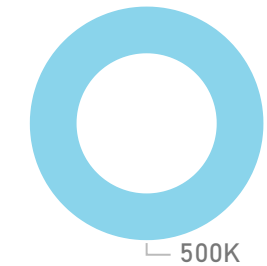
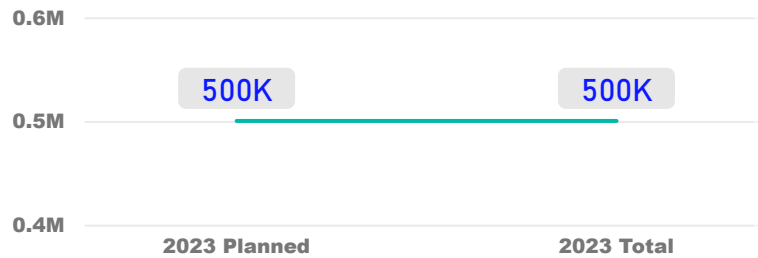
Demand Maintenance



Category ● 2023 Executed ● 2023 Committed

- Collections funding include \$500K from Lifecycle.

Collections



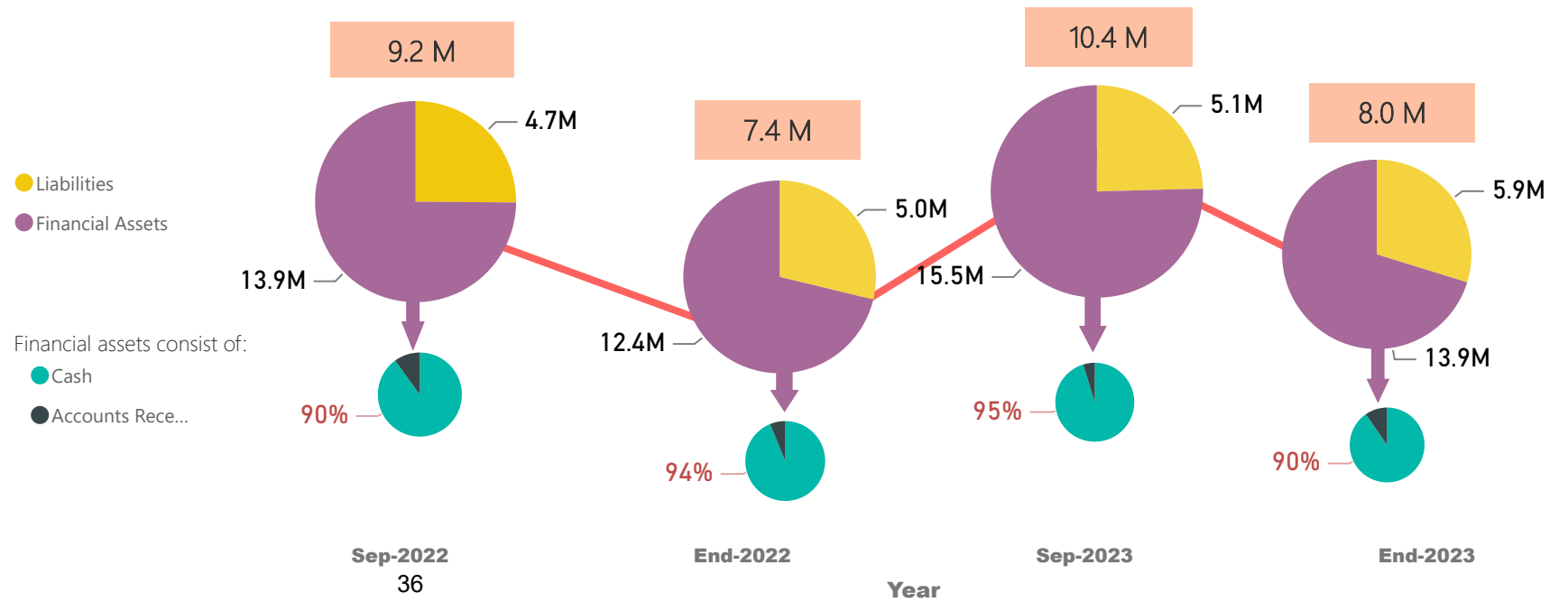
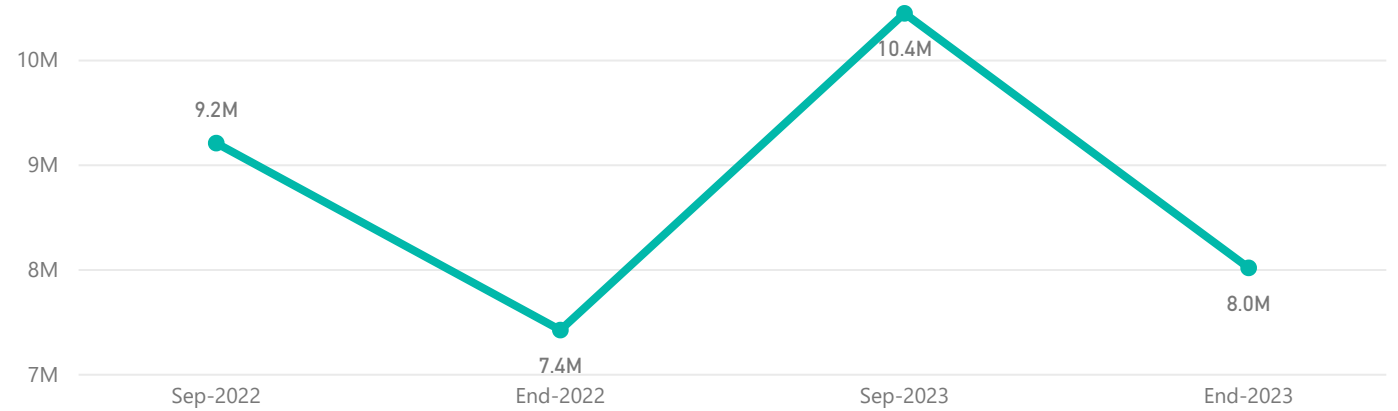
Category ● 2023 Executed ● 2023 Committed

Commentary

- 2023 year-end Net Financial Assets is \$8.0M, a \$0.6M increase from 2022, which is mainly due to the increased cash balance.

Statement of Financial Position, as at Dec 31, 2023

Net Financial Assets



Commentary

- The decrease of Tangible Capital Assets from the year ended 2022 is due to higher amortization (\$5.4M) than the new additions (\$4.0M).

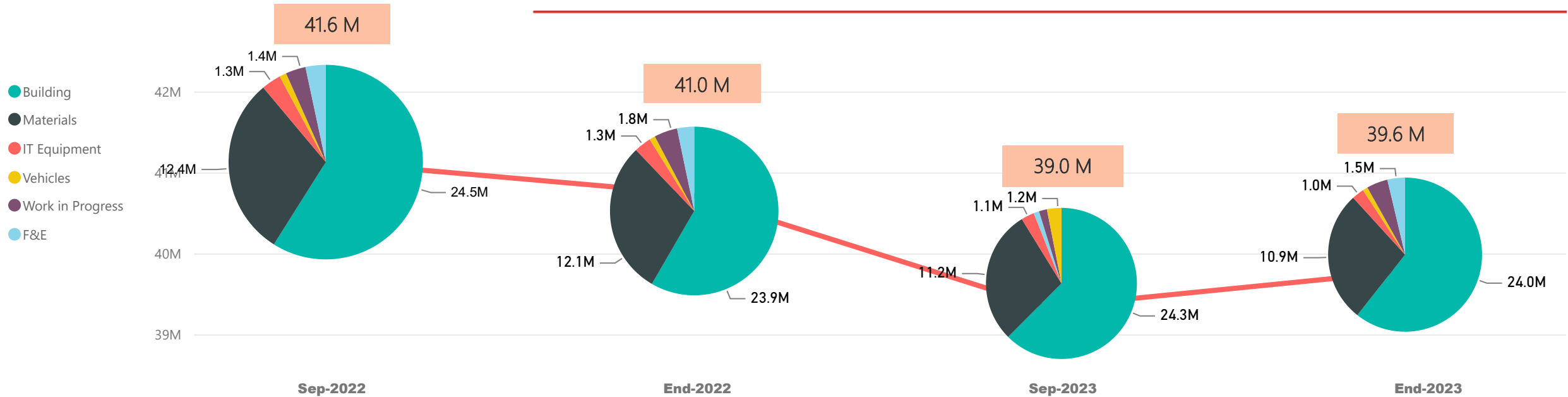
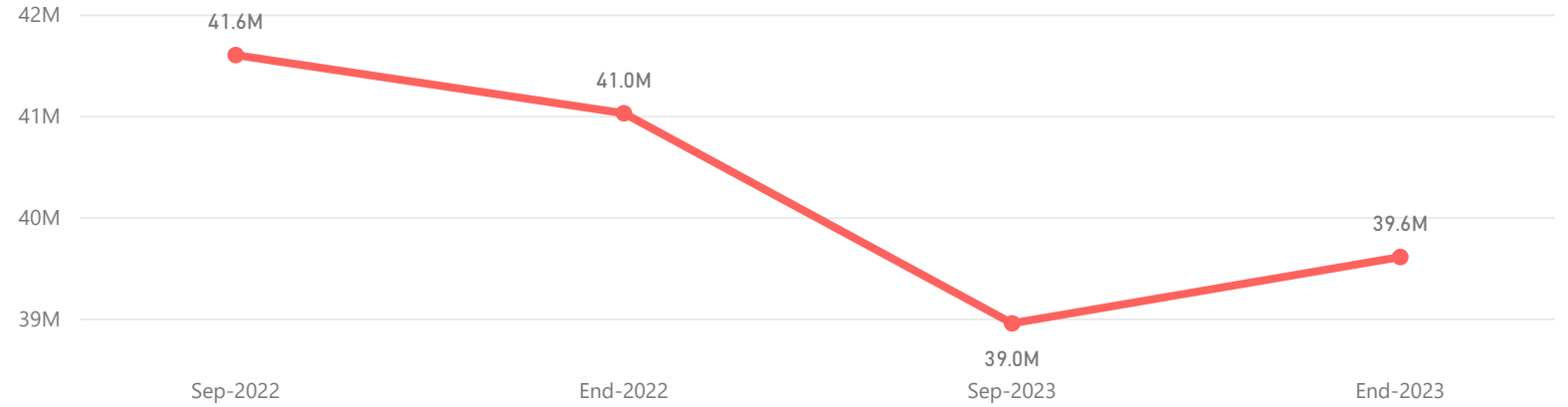
Actions

2023 additions:

- Books: \$1.5M
- Buildings: \$2.4M
- Vehicles: \$0.1M

Statement of Financial Position, as at Dec 31, 2023

Tangible Capital Assets

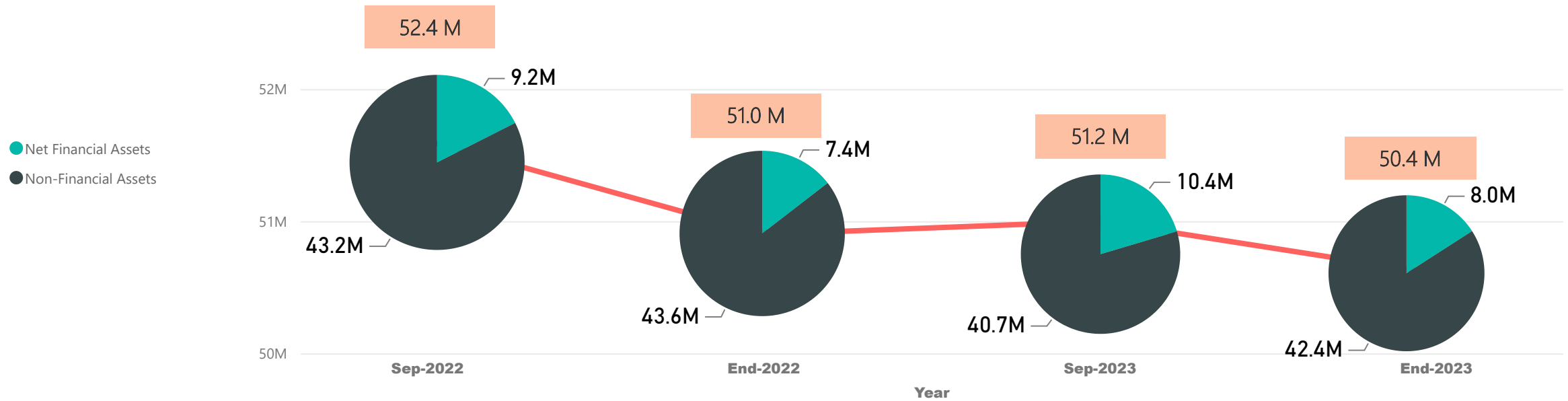
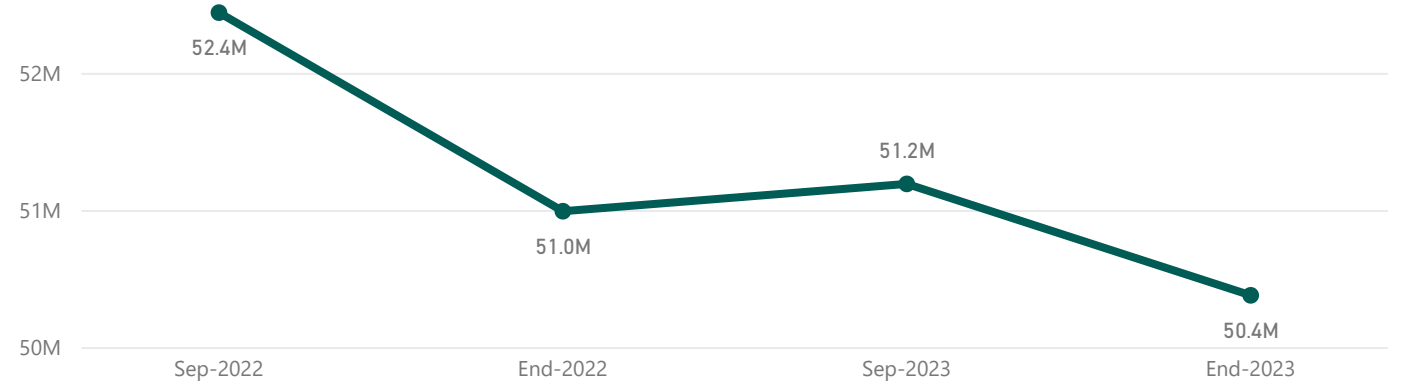


Statement of Financial Position, as at Dec 31, 2023

Commentary

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

Accumulated Surplus



THE CALGARY PUBLIC LIBRARY BOARD
Management Report - Operating Activities
For the Period Ended December 31, 2023

	2023 Projected Actual \$	Budget YTD \$	Budget Variance YTD \$	Total BUDGET \$	Total Forecast \$	Forecast Increase/ (Decrease) vs Total Budget \$	Total Forecasted vs Current YTD \$	Comments (Favorable: F / Unfavorable: U)
REVENUES								
5 City of Calgary	56,691,356	57,375,534	(684,178)	57,375,534	56,719,151	(656,383)	(27,795)	U - The City revenue decrease reflects the unrecognized City one-time funding which carries forward to 2024.
9 Province of Alberta	7,221,420	6,864,917	356,503	6,864,917	7,221,420	356,503	0	F - Provincial revenue increase is due to the population update of the Per Capita Grant.
14 Rent revenue	164,655	156,000	8,655	156,000	156,000	-	8,655	
19 Interest and other revenue	1,963,392	917,884	1,045,508	917,884	1,856,285	938,401	107,108	F - Interest and Other Revenue increase reflects the higher interest rate, increased printing revenue and Performance Hall rental. The Library also received \$100K shared reserve from the Genesis Centre.
22 Grants and sponsorships								
Grants and sponsorships - restricted	2,650,112	2,408,439	241,673	2,408,439	2,864,328	455,889	(214,216)	F - Restricted Grants increase reflects the additional grant received in 2023, net of the restricted grant carry forward to 2024.
Grants and sponsorships - unrestricted	-	-	-	-	-	-	-	
	2,650,112	2,408,439	241,673	2,408,439	2,864,328	455,889	(214,216)	
23 Total revenues	68,690,935	67,722,774	968,161	67,722,774	68,817,184	1,094,409	(126,249)	F
EXPENSES								
29 Salaries and employee benefits	42,501,313	43,404,581	903,268	43,404,581	42,423,773	(980,808)	(77,540)	F - Salaries and Benefits decrease is mainly due to the reallocation of City one-time funding and vacancies.
32 Collections	6,578,156	6,388,605	(189,551)	6,388,605	6,566,157	177,552	(11,999)	U - Collections increase reflects the additional funds allocated from the Foundation grants and City one-time funding.
48 General operating	9,900,884	10,580,176	679,292	10,580,176	10,300,838	(279,338)	399,954	F - General Operating decrease reflects the projects carry forward to 2024.
54 Building and equipment	6,819,554	6,097,904	(721,650)	6,097,904	6,772,697	674,793	(46,857)	U - Building and Equipment increase reflects the Fish Creek Fire Truck project (funded by the Foundation grant) and lifecycle funded expenses.
74 Occupancy Costs	1,787,118	1,812,752	25,634	1,812,752	1,812,752	-	25,634	
75 Amortization	5,435,914	5,955,904	519,990	5,955,904	5,955,904	-	519,990	F - The favourable budget variance is due to timing of TCA additions
76 Total expenses	73,022,939	74,239,922	1,216,983	74,239,922	73,832,121	(407,800)	809,182	F
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES BEFORE THE FOLLOWING:								
	(4,332,004)	(6,517,148)	2,185,146	(6,517,148)	(5,014,937)	1,502,210	(682,933)	
Transfer between lifecycle and operating	1,783,320	1,601,363	181,957	1,601,363	1,853,366	252,003	70,046	
Transfer from prior year surplus	646,992	646,992	-	646,992	646,992	-	-	
Unrestricted reserve from prior years	3,329,862	3,329,862	-	3,329,862	3,329,862	-	-	
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)	(225,000)	-	-	
Transfer to books capital	(1,516,654)	(1,462,111)	(54,543)	(1,462,111)	(1,517,111)	(55,000)	(457)	
Add back amortization	5,435,914	5,955,904	(519,990)	5,955,904	5,955,904	-	519,990	
EXCESS BEFORE RESERVES, AMORTIZATION AND GOVERNMENT TRANSFERS FOR CAPITAL	8,122,430	6,329,862	1,792,570	6,329,862	8,029,076	1,699,213	93,353	
Less unrestricted reserve from prior years	(3,329,862)	(3,329,862)	-	(3,329,862)	(3,329,862)	-	-	
Less operating reserve	(3,000,000)	(3,000,000)	-	(3,000,000)	(3,000,000)	-	-	
EXCESS (DEFICIENCY) BEFORE AMORTIZATION AND GOVERNMENT TRANSFERS FOR CAPITAL	1,792,568	0	1,792,570	0	1,699,214	1,699,213	93,353	
Government transfers for capital	3,723,307	4,958,000	(1,234,693)	4,958,000	4,958,000	-	1,234,693	
Amortization	(5,435,914)	(5,955,904)	519,990	(5,955,904)	(5,955,904)	-	(519,990)	
Purchase of books capital	1,516,654	1,462,111	54,543	1,462,111	1,517,111	55,000	457	
Add back transfer to asset management life cycle	225,000	225,000	-	225,000	225,000	-	-	
Transfer between lifecycle and operating	(1,783,320)	(1,601,363)	(181,957)	(1,601,363)	(1,853,366)	(252,003)	(70,046)	
Less transfer from prior year surplus	(646,992)	(646,992)	-	(646,992)	(646,992)	-	-	
Write off of tangible capital assets	(4,733)				(4,733)			
Change in Accumulated Surplus	(613,430)	(1,559,147)	950,453	(1,559,147)	(61,670)	1,502,210	738,467	(675,099)
Accumulated Surplus, beginning of year	50,990,769	50,986,815	3,954	50,986,815	50,990,769	3,954		
Accumulated Surplus, end of year	50,377,339	49,427,668	954,407	49,427,668	50,929,099	1,501,431		

Lifecycle Funding and Spending Profile	Projects	Description	2023 Planned	2023 Forecasted	2023 Executed	2023 Committed	2023 Total
As at December 31, 2023							
Funding Source			('000)				
		Carry Forward Funds	4,577	4,315	4,315	-	4,315
		Current Year Funds	3,858	3,932	2,697	-	2,697
		Growth Project Funds	-	-	-	-	-
Total Funding Available			8,435	8,247	7,012	-	7,012
Spending Profile							
	Carry Forward Projects	2022 Carry Forward Projects	3,488	4,316	2,256	2,060	4,316
	New Projects	Building - Lifecycle	1,500	510	485	25	510
		Demand Maintenance	500	302	260	42	302
		Furniture	-	-	-	-	-
		Vehicles - Lifecycle	-	323	117	206	323
		Technology	500	485	471	14	485
		Automated Materials Handling	-	403	78	325	403
		Growth Projects	-	-	-	-	-
		Collections	500	500	500	-	500
		Asset Management	49	49	-	49	49
Total Spending Profile			6,537	6,888	4,167	2,721	6,888
Total Funds Available			1,898	1,359	2,845		1,359

Operating Reserve Fund	Projects	Description	2022 Carry Forward	2023 Planned	2023 Executed	2023 Committed	2023 Total
As at December 31, 2023							
Funding Source			('000)				
		Carry Forward Funds	3,000	-	-	-	3,000
		Current Year Funds	-	-	-	-	-
Total Funds Available			3,000	-	-	-	3,000
Spending Profile							
	Carry Forward Projects	2022 Carry Forward Projects	-	-	-	-	-
	New Projects	2023 Projects	-	-	-	-	-
Total Spending Profile			-	-	-	-	-
Total Funds Available			3,000	-	-	-	3,000



Calgary Public Library Board
Report to the Audit and Finance
Committee on the 2023 audit

March 13, 2024

March 6, 2024

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 2023 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, 2023 in accordance with Canadian generally accepted auditing standards ("Canadian GAAS") and expect to issue our audit report thereon dated March 20, 2024.

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 17, 2023.

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

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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, 2023. 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.







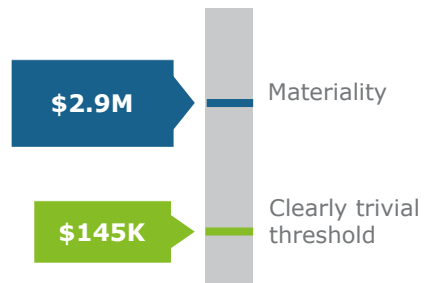
Significant risks

Status



Materiality

1	Management override of controls	
2	Asset retirement obligations	
	Continued from prior year	
	New from prior year	



Materiality levels are determined on the basis of expenses. Our materiality for the year ended December 31, 2023 was \$2,900,000 (2022, \$2,800,000).



Outstanding Matters & Next Steps

Receipt of signed management representation letter

Receipt of subsequent events update

Completion of minor documentation items

Receipt of confirmation from ASE

 **Audit fees**

Audit fees	2023	2022
Financial statement audit	\$44,200	\$41,310
System Conversion	\$2,500	-
Procedures with respect to Adoption of Section 3280, <i>Asset Retirement Obligations</i>	\$8,750	-
Total fees	\$55,450	\$41,310

 **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, 2023 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.

Adoption of new accounting standards – PS 3280 Asset Retirement Obligations

Fraud Risk	Control testing planned	Level of management judgement	Specialist, expert or innovation involvement
No	D+I		Deloitte ARO Subject Matter Specialists

Analysis of risk	Audit response and results
<ul style="list-style-type: none"> PS 3280 – Asset retirement obligations (“PS 3280”) is required to be adopted for the year ended December 31, 2023 by the Library. The standard establishes how to account for and report a liability for asset retirement obligations. Completeness of the liability recorded for asset retirement obligations, and the accuracy of the calculations and models used to calculate the liability, if applicable Completeness and accuracy of the disclosures required under PS 3280. Application of the standard is not consistent with PSAS guidance. 	<ul style="list-style-type: none"> We reviewed the methodology and assumptions utilized by management and assessed compliance with PS 3280. We performed substantive testing over the completeness of assets scoped in for the adoption of the standard. We performed substantive testing over the accuracy of the asset retirement obligation liability. We evaluated the design and implementation of relevant controls around the adoption of the standard. We evaluated the financial statement disclosures for compliance with PS 3280. The asset retirement cost was not material to the financial statements, as such management has not recorded the obligation in the year-end financial statements. We concur with management, however, since the amount exceeds the reporting threshold of \$145,000, the amount has been recorded as an uncorrected misstatement. Refer to Appendix 4 of details. 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.

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, 2023, 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.

Required communication	Refer to this report or document described below
Audit 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: <ul style="list-style-type: none"> 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 17, 2023.
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.
Enquiries 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.
Year 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.
9. Alternative treatments for accounting policies and practices that have been discussed with management during the current audit period	Significant accounting policies, judgements and estimates section of this document.
10. Matters related to going concern	Executive summary section of this report.

Required communication	Refer to this report or document described below
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 estimates	Significant accounting policies, judgements and estimates section of this report.
13. Significant difficulties, if any, encountered during the audit	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 content of the auditor’s report	Draft auditor’s report.
16. Other matters that are significant to the oversight of the financial reporting process	No other matters to report.
17. Modifications to our opinion(s)	Executive summary section of this report.
18. Other significant matters discussed with management	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 or possibly illegal acts that come to our attention.	We are not aware of any matters involving noncompliance with laws and regulations or illegal acts.
20. Litigation	No litigation matters to report.
21. Significant deficiencies in internal control, if any, identified by us in the conduct of the audit of the financial statements	No deficiencies to report.
22. Uncorrected misstatements and disclosure items	In accordance with Canadian GAAS, we request that all misstatements be corrected. Refer to Appendix 4 for uncorrected misstatements. No 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 17, 2023. We confirm that there have been no amendments to the audit scope and approach communicated in the audit plan.
24. Concerns regarding management competence and integrity	We do not have any concerns regarding management’s competency and integrity.
25. Disagreements with management	During the current audit, we did not have any disagreements with management.
26. Post-balance sheet events	At the date of finalizing this report, we are not aware of any significant post-balance sheet events.
27. Limitations when sending confirmations	Not applicable.
28. Other significant matters arising from the audit	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, 2023 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, 2023 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 20, 2024

Draft

Appendix 3 – Draft independence letter

March 20, 2024

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, 2023.

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 22, 2023, 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 23, 2023 to March 20, 2024.

The total fees charged(including 7% Administrative fee) to the Library for audit services were \$59,332 (\$44,202 in 2022) 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 20, 2024.

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 20, 2024

Draft

Appendix 4 – Draft management representation letter

Calgary Public Library

March 20, 2024

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, 2023

To Whom It May Concern:

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, 2023, 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 17, 2023 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, 2023, 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, 2023, 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, 2023, 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 non-compliance 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 pre-approved 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 \$145,000 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, 2022.

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, 2023, 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, 2023 financial statements of this standard.

Adoption of new accounting standards

47. The Library has adopted CPA Canada Public Sector Accounting Handbook PS 3280 Asset Retirement Obligations, as of January 1, 2023 as discussed in Note 1 of the Financial Statements. The Library has assessed the impact of the adoption of each of this standard and determined that due to the asset

retirement obligation being not material to the financial statements, management has not adjusted the year-end financial statements.

48. We have identified and disclosed to you all liabilities that Library has a legal obligation to incur retirement costs in relation to a tangible capital asset.
49. With respect to the Library's tangible capital assets, we have determined the best estimate of the amount required to retire a tangible capital asset (or component thereof) at the financial statement date based on the information available at that date.
50. We have disclosed any uncertainties affecting the measurement of a liability for an asset retirement obligation in accordance with Section PS 2130, Measurement Uncertainty.
51. We confirm that we are not responsible for retirement costs for tangible capital assets that are owned by The City of Calgary, for which the Library is not the steward.

Work of Management's experts

52. We agree with the work of Management's experts in evaluating the asset retirement costs and have adequately considered the competence and capabilities of the experts in determining amounts and disclosures used in the Financial Statements and underlying accounting records, where applicable. We did not give any, nor cause any, instructions to be given to Management's experts with respect to values or amounts derived in an attempt to bias their work, and we are not aware of any matters that have impacted the independence or objectivity of the experts.

Communicating a Threshold Amount

53. We understand that the threshold used for accumulating misstatements identified during the year was \$145,000 for purposes of Appendix A. Misstatements below this amount have been considered clearly trivial.

Accumulated Surplus

54. 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, 2023

Correcting Entries

Description	Statement of Operations and Accumulated Surplus Dr/(Cr)	Statement of Financial Position - Asset Dr/(Cr)	Statement of Financial Position - Liability Dr/(Cr)
Asset retirement obligation is not recorded	\$0.00	PPE \$272,356	ARO (\$272,356)
Change in useful life of playground	Amortization \$250,500	Accumulated Amortization – Furniture & Equipment (\$250,500)	\$0.00
Total	\$ 250,500	\$22,356	(\$272,356)

No uncorrected disclosure deficiencies identified.

FINANCIAL
STATEMENTS

2023

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

	2023 \$	2022 \$
FINANCIAL ASSETS		
Cash	12,563,619	11,672,719
Accounts receivable (Note 3)	1,342,503	771,703
	13,906,122	12,444,422
LIABILITIES		
Accounts payable and accrued liabilities (Note 4)	4,733,708	4,357,728
Deferred revenues and tenant deposits (Note 5)	1,161,609	669,973
	5,895,317	5,027,701
NET FINANCIAL ASSETS	8,010,805	7,416,721
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 6, Schedule 1)	39,605,191	41,023,428
Inventory	-	30,099
Prepaid assets (Note 7)	2,761,343	2,520,521
	42,366,534	43,574,048
ACCUMULATED SURPLUS (Note 8)	50,377,339	50,990,769

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

On behalf of the Board

_____ Member

_____ Member

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

	2023 Budget \$	2023 Actual \$	2022 Actual \$
REVENUES			
City of Calgary (Schedule 2)	57,375,534	56,691,356	55,236,356
Province of Alberta (Schedule 2)	6,864,917	7,221,420	6,888,111
Rental revenue	156,000	164,655	156,000
Interest and other revenue	917,884	1,963,392	1,342,225
Grants and sponsorships (Note 14)	2,408,439	2,650,112	2,314,195
	<u>67,722,774</u>	<u>68,690,935</u>	<u>65,936,887</u>
EXPENSES			
Salaries and employee benefits	43,404,581	42,501,313	40,398,253
Collections	6,388,605	6,578,156	7,280,074
Building and equipment	6,097,904	6,819,554	5,413,927
General operating	10,580,176	9,900,884	9,603,265
Amortization (Schedule 1)	5,955,904	5,435,914	6,033,245
Occupancy costs	1,812,752	1,787,118	1,765,748
	<u>74,239,922</u>	<u>73,022,939</u>	<u>70,494,512</u>
DEFICIENCY OF REVENUES OVER EXPENSES - BEFORE OTHER	(6,517,148)	(4,332,004)	(4,557,625)
OTHER			
Write off of tangible capital assets	-	(4,733)	(175,220)
Government transfers for capital (Schedule 2)	4,958,000	3,723,307	3,859,314
	<u>4,958,000</u>	<u>3,723,307</u>	<u>3,859,314</u>
DEFICIENCY OF REVENUES OVER EXPENSES	(1,559,148)	(613,430)	(873,531)
ACCUMULATED SURPLUS , beginning of year (Note 8)	50,986,815	50,990,769	51,864,300
ACCUMULATED SURPLUS , end of year (Note 8)	<u>49,427,667</u>	<u>50,377,339</u>	<u>50,990,769</u>

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

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

	2023 \$	2022 \$
OPERATING		
Deficiency of revenues over expenses	(613,430)	(873,531)
Non-cash charges to operations		
Amortization (Schedule 1)	5,435,914	6,033,245
Write off of tangible capital assets	4,733	175,220
Change in non-cash working capital (Note 11)	86,093	113,784
Cash provided by operating transactions	4,913,310	5,448,718
CAPITAL		
Acquisition of tangible capital assets (Schedule 1)	(4,022,410)	(4,179,408)
Cash used in capital transactions	(4,022,410)	(4,179,408)
INCREASE IN CASH	890,900	1,269,310
CASH, beginning of year	11,672,719	10,403,409
CASH, end of year	12,563,619	11,672,719

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

	2023 \$	2022 \$
DEFICIENCY OF REVENUES OVER EXPENSES	(613,430)	(873,531)
Amortization of tangible capital assets	5,435,914	6,033,245
Change in inventory, prepaid assets and deposits	(210,723)	(82,955)
Acquisition of tangible capital assets (Schedule 1)	(4,022,410)	(4,179,408)
Write off of tangible capital assets	4,733	175,220
INCREASE IN NET FINANCIAL ASSETS	594,084	1,072,571
NET FINANCIAL ASSETS, beginning of year	7,416,721	6,344,150
NET FINANCIAL ASSETS, end of year	8,010,805	7,416,721

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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	2023 \$	2022 \$
COST								
BALANCE, BEGINNING 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
Acquisition of tangible capital assets	1,516,654	526,850	37,300	-	1,824,566	117,040	4,022,410	4,179,408
Asset transfers	-	1,896,371	-	-	(1,896,371)	-	-	-
Disposal of tangible capital assets	(3,078,738)*	(600,200)	(5,392)*	(197,554)*	-	(68,996)	(3,950,880)	(5,054,082)
BALANCE, END OF YEAR	26,110,924	51,899,552	4,061,773	3,432,354	1,760,333	1,829,660	89,094,596	89,023,066
ACCUMULATED AMORTIZATION								
BALANCE, BEGINNING OF YEAR	15,581,281	26,127,140	2,680,170	2,286,675	-	1,324,372	47,999,638	46,845,255
Annual amortization	2,689,164	2,345,319	371,218	(123,314)**	-	153,527	5,435,914	6,033,245
Accumulated amortization on disposals	(3,078,738)*	(595,467)	(5,392)*	(197,554)*	-	(68,996)	(3,946,147)	(4,878,862)
BALANCE, END OF YEAR	15,191,707	27,876,992	3,045,996	1,965,807	-	1,408,903	49,489,405	47,999,638
NET BOOK VALUE, DECEMBER 31, 2023	10,919,217	24,022,560	1,015,777	1,466,547	1,760,333	420,757	39,605,191	41,023,428
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	

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

**Increased estimated life of Central Library play area.

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

	2023 Budget \$	2023 Actual \$	2022 Actual \$
TRANSFERS FOR OPERATING:			
City of Calgary	57,375,534	56,662,737	55,196,561
City of Calgary Insurance Proceeds	-	28,619	39,795
Provincial Government	6,864,917	7,221,420	6,888,111
	64,240,451	63,912,776	62,124,467
TRANSFERS FOR CAPITAL:			
City of Calgary	4,958,000	3,723,307	3,859,314
	4,958,000	3,723,307	3,859,314
TOTAL GOVERNMENT TRANSFERS	69,198,451	67,636,083	65,983,781

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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, and accounts payable, approximate their fair values due to their short-term nature and are recorded at cost. At December 31, 2023 and 2022 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.

Asset Retirement Obligation

An asset retirement obligation is recognized when, as at the financial reporting date, there is a legal obligation to incur retirement costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities based on information available at year-end.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the useful life of the related asset.

The Library adopted PS3280 Asset Retirement Obligations effective January 1, 2023. The Library's asset retirement cost relates to buildings that contain asbestos, and an estimate of the asset retirement cost was based on assessments provided by third party experts. The asset retirement cost based on these assessments was not material to the financial statements, as such management has not recorded the obligation in the year-end financial statements.

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 standard. The extent of impact resulting from the adoption of this standard is not known at this time.

Accumulated Surplus/Deficit

Accumulated surplus/deficit represents the Library's net economic resources. It is an amount by which all assets (financial and non-financial) exceed liabilities. An accumulated surplus indicates that the Library has net resources (financial and non-financial) 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, 2023 and 2022 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 \$5,450,000. 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, 2023, the drawn balance of the facility was \$nil (2022 – \$nil).

3. ACCOUNTS RECEIVABLE

Accounts receivable are comprised of the following:

	2023 \$	2022 \$
City of Calgary - Life Cycle Recovery	752,193	101,245
GST recovery	245,468	188,359
Other	344,842	482,099
TOTAL	1,342,503	771,703

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are comprised of the following:

	2023 \$	2022 \$
Non-salary payables & accruals	1,221,365	1,042,001
Salary payables & accruals	1,043,528	954,195
Employee vacation pay accrual	1,331,661	1,372,931
Benefit & salary deduction payables, net	1,137,154	988,601
TOTAL	4,733,708	4,357,728

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 2022 \$	Inflows \$	Revenue Recognized \$	December 31 2023 \$
Program & Project agreements	619,402	1,424,346	(916,733)	1,127,015
Tenant Deposits	50,571	101,740	(117,717)	34,594
ENDING BALANCE	669,973	1,526,086	(1,034,450)	1,161,609

6. TANGIBLE CAPITAL ASSETS (Schedule 1)

Category (Net Book Value)	2023 \$	2022 \$
Materials	10,919,217	12,091,727
Buildings	24,022,560	23,949,391
IT equipment	1,015,777	1,349,695
Furniture and equipment	1,466,547	1,343,233
Work in progress	1,760,333	1,832,138
Vehicles	420,757	457,244
TOTAL	39,605,191	41,023,428

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:

	2023 \$	2022 \$
Occupancy	83,946	82,091
Software annual maintenance contracts	1,860,597	1,500,939
Subscriptions	799,752	789,560
Insurance	-	127,561
General	17,048	20,370
TOTAL	2,761,343	2,520,521

8. ACCUMULATED SURPLUS

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

	2023 \$	2022 \$
Operating fund	8,122,429	6,976,854
Capital fund	2,649,719	2,990,487
Equity in tangible capital assets	39,605,191	41,023,428
TOTAL	50,377,339	50,990,769

Equity in tangible capital assets consists of the following items:

	2023 \$	2022 \$
Tangible capital assets (Schedule 1)	89,094,596	89,023,066
Accumulated amortization (Schedule 1)	(49,489,405)	(47,999,638)
TOTAL	39,605,191	41,023,428

Included in the operating fund is \$3,000,000 (2022 - \$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:

Year	Rental Revenue \$
2024	208,300
2025	238,845
Thereafter	1,156,755
TOTAL	1,603,900

10. COMMITMENTS

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

Year	\$
2024	1,173,000
2025	1,227,000
2026	1,043,000
2027	932,000
2028	588,000
2029 and thereafter	141,000
TOTAL	5,104,000

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 \$2,494,663 at December 31, 2023 (\$319,319 at December 31, 2022). Operating commitments amount to \$1,316,907 at December 31, 2023 (\$748,377 at December 31, 2022).

11. CHANGE IN NON-CASH WORKING CAPITAL

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

	2023 \$	2022 \$	Change \$
Accounts receivable	1,342,503	771,703	(570,800)
Accounts payable and accrued liabilities	4,733,708	4,357,728	375,980
Deferred revenues and tenant deposits	1,161,609	669,973	491,636
Inventory	-	30,099	30,099
Prepaid assets	2,761,343	2,520,521	(240,822)
CHANGE IN NON-CASH WORKING CAPITAL			86,093

12. INTER-ENTITY TRANSACTIONS

- i) 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 2023 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, 2023 are \$762,783 (2022 - \$114,651), prepaid assets and deposits are \$264,774 (2022 - \$289,720), deferred revenues are \$712,799 (2022 - \$nil), and accounts payable and accrued liabilities are \$30,092 (2022 - \$22,662).
- iii) 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, 2023 \$	Amount Contributed \$	Amount Withdrawn \$	Balance Remaining December 31 2023 \$
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 \$1,824,912 in 2023 (2022 - \$1,751,319). 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 \$12.7 billion in 2022, an increase from a surplus position of \$11.9 billion in 2021. The surplus applies to the entire plan and the Library's portion of the surplus cannot be determined. The 2022 information is provided as the most recent information was not available at the time of preparing the financial statements.

LAPP consists of over 167,300 active members. The City of Calgary's active plan membership represents approximately 7.9% of which the Library portion is approximately 0.2% as at December 31, 2022.

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 2023, the Library recognized \$2,650,112 (2022 - \$2,314,195) grants & sponsorships revenue from the Foundation and recorded \$414,216 in deferred revenues (2022 - \$619,403). The Library recognized an in-kind donation of \$nil in 2023 (2022 - \$3,075). At December 31, 2023, the Library contributed an in-kind donation of \$85,097 (2022 - \$92,038) 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.

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DRAFT

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	May	Jun	Jul*	Aug	Sep	Oct	Org	Nov	Dec
Executive Leadership Team													
1. CEO Report	I		I		I	I			I			I	
2. Public Libraries Service Branch (PLSB) Annual Survey (in camera)	A												
General Board Governance													
3. Chair and Vice-Chair Appointments											X		
4. Standing Committee Appointments											X		
5. Standing Committee Chair Appointments											X		
6. ALTA Representative Appointment (optional)											X		
7. Delegate Selection for Calgary Public Library Foundation Board											X		
Governance Committee													
8. Meeting Report(s)	I		I		I	I			I			I	
9. Organizational Meeting Review and Recommendations	I												
10. Board Self Evaluation Results Review and Recommendations	I												
11. New Member Appointment Recommendations (in camera)									A				
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)									I				
Strategy and Community Committee													
16. Meeting Report(s)	I		I		I	I			I			I	
17. Community Library Liaisons	X												
18. Board Retreat Recommendations	X												
19. Board Advocacy Recommendations													
20. Strategic Plan (2022, 2026, 2030)						A							
Audit and Finance Committee													
21. Meeting Report(s)	I		I		I		I*		I			I	
22. Annual Budget	A												
23. Annual Financial Audit			A										

**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	May	Jun	Jul*	Aug	Sep	Oct	Org	Nov	Dec
24. Revolving Credit Facility Confirmation	I												
25. Operating Reserve Fund Review	I												
26. Quarterly and Annual Financial Review	I		I		I		I*		I			I	
27. Quarterly and Annual Risk Review	I				I		I*		I			I	
Calgary Public Library Foundation													
28. Report to the Board	I		I		I	I			I			I	

* July meeting to be held only as needed