

Mission Statement

The Hamilton Public Library unites people and ideas in a warm and welcoming environment. The library's staff, collections, and access to global electronic resources help to enrich the lives of individuals. The library actively champions literacy, access to information, and the joy of reading.

Strategic Priorities

*Strengthen Communities
Support Diverse Needs
Continue to develop and energize our organization*

HAMILTON PUBLIC LIBRARY BOARD

**Regular Board Meeting
Wednesday, February 16, 2005
Central Library, Board Room**

5:30 p.m. Dinner
6:00 p.m. Meeting

AGENDA

1. **Discussion Period**
2. **Acceptance of the Agenda**
3. **Minutes of the Hamilton Public Library Board Meeting of Wednesday, January 19, 2005** Attachment #3
4. **Presentations**
 - 4.1 Presentation by Grant Thornton re Audit Plan Attachment #4.1
 - 4.2 Slide Presentation on Field Trip – KR
 - 4.3 Discussion on Preliminary Draft Evaluation of Current Library Facilities – BH (**handout to be distributed at meeting**)
5. **Consent Items**
 - 5.1 Chief Librarian's Report Attachment #5.1
Suggested Action: Receive
 - 5.2 Notice of Motion – Library Board Bylaws Attachment #5.2
Suggested Action: Recommendation

HAMILTON PUBLIC LIBRARY
LIBRARY BOARD

UPCOMING/OUTSTANDING ISSUES

Issue	Date Action Initiated	Admin Member/Staff Who Initiated	Month item will appear on Agenda

**HAMILTON PUBLIC LIBRARY BOARD
Regular and Inaugural Meeting**

**Wednesday, January 19, 2005
Board Room
5:30 p.m. Dinner
6:00 p.m. Meeting**

MINUTES

PRESENT: Doreen Horbach, George Geczy, Mavis Adams,
Jennifer Gautrey, Santina Moccio, Tamara Fernandes,
Mac Carson, Maureen McKeating, Joyce Brown,
Councillor Pearson, Councillor Jackson

STAFF: Ken Roberts, William Guise, Linda Foley, Maureen Sawa,
Beth Hovius, Kit Darling, Helen Benoit, Karen Hartog

1. DISCUSSION PERIOD

- 1.1 Mr. Roberts reported that Concession Library had to close on Tuesday, January 18th and ½ a day on January 19th due to a mechanical problem with the furnace. The temperature of the building was 45 degrees.
- 1.2 Ms Adams provided an update regarding the open house hosted by Councillor McHattie on January 8, 2005.

2. ACCEPTANCE OF THE AGENDA

MOVED by Ms McKeating, seconded by Ms Brown

THAT THE AGENDA BE APPROVED AS PRESENTED.

MOTION CARRIED.

3. MINUTES OF THE HAMILTON PUBLIC LIBRARY BOARD MEETING OF WEDNESDAY, DECEMBER 15, 2004

MOVED by Ms Adams, seconded by Ms Moccio,

THAT THE HAMILTON PUBLIC LIBRARY BOARD MINUTES OF WEDNESDAY, DECEMBER 15, 2004 BE ADOPTED AS PRESENTED.

MOTION CARRIED.

4. REPORT OF THE NOMINATING COMMITTEE MEETING OF WEDNESDAY, JANUARY 19, 2005

Ms Horbach presented the proposed slate of officers for 2005:

Chairperson: George Geczy
Vice-Chairperson: Maureen McKeating

Executive Committee: Doreen Horbach
Santina Moccio
George Geczy
Mavis Adams

SOLS Representative: Maureen McKeating

Nominations for the position of Chairperson

There were no nominations from the floor.

Mr. Geczy was elected Chairperson of the Hamilton Public Library Board for the year 2005.

Nominations for the position of Vice-Chairperson

There were no nominations from the floor.

Ms McKeating was elected Vice-Chairperson of the Hamilton Public Library Board for the year 2005.

Nominations for the position of SOLS Representative

There were no nominations from the floor.

Ms McKeating was elected SOLS Representative of the Hamilton Public Library Board for the year 2005.

Nominations for the Executive Committee

There were no nominations from the floor.

Ms Horbach, Mr. Geczy, Ms Adams and Ms Moccio will be members of the Executive Committee for the year 2005.

5. 2005 BOARD CHAIRMAN CALLS THE INAUGURAL MEETING TO ORDER

Mr. Geczy called the inaugural meeting to order at 6:10 p.m.

6. BUSINESS ARISING

6.1 Strategic Priorities

Ms Fernandes indicated that a sentence be added to Strategic Priority #3 that reflects the discussion about staff support.

MOVED by Ms Horbach, seconded by Ms Fernandes,

THAT THE ATTACHED STRATEGIC PRIORITIES FOR 2005-2007 BE APPROVED AS AMENDED.

MOTION CARRIED.

Mr. Roberts will circulate the new wording to Board Members early next week for consent and resolution.

6.2 Ancaster

Mr. Roberts reported that construction costs had been estimated by one firm and reviewed by another firm. Mr. Roberts continues to meet with Councillor Ferguson regarding the expansion of the Ancaster Branch.

MOVED by Councillor Jackson, seconded by Ms Moccio,

THAT THE HAMILTON PUBLIC LIBRARY BOARD ENDORSE THE EXPANSION OF THE ANCASTER BRANCH INTO THE ENTIRE MAIN FLOOR OF THE FORMER ANCASTER TOWN HALL, PENDING AN ACCEPTABLE BUDGET FOR THE PROJECT.

MOTION CARRIED.

6.3 2005 Operating Budget Presentation

Mr. Geczy, Chair, and Ms Horbach, Past Chair, will represent the Library Board in presenting the library's budget to Council on January 27th.

7. PRESENTATIONS

7.1 Halifax Speech

Mr. Roberts will be visiting Halifax on January 20th/21st as one of the presenters. He presented his speech on "The Future of Libraries" to the Library Board.

8. CONSENT ITEMS

MOVED by Councillor Pearson, seconded by Ms Moccio,

THAT CONSENT ITEMS 8.1, 8.2, 8.3, 8.4 and 8.5 BE APPROVED.

MOTION CARRIED.

8.1 Receive for information.

8.2 That the regular service hours between Christmas and New Year's be adjusted so that each location is open its regular scheduled hours until 5:00 p.m. daily. If this results in a branch being scheduled to open one hour or less that it not be open that day.

8.3 That the dates be approved except for the months of March, June and December. Ms Hartog will send out e-mail for alternate times those months.

8.4 Received for information.

8.5 Received for information.

9. CORRESPONDENCE

No correspondence.

10. REPORTS

No reports.

11. NEW BUSINESS

11.1 Strategic Planning Process

Received for information. It was agreed that the various strategic reports will be presented once per library board term rather than annually.

11.2 Millgrove and Freelton Break-ins

Mr. Roberts reported that bars are being installed on the windows of both locations. It was suggested that administration staff contact community leaders, Councillors, police and school boards to initiate an "all players" meeting.

Received for information.

11.3 Potential Flamborough Library Branch

MOVED by Ms Horbach, seconded by Councillor Pearson,

THAT THE HAMILTON PUBLIC LIBRARY BOARD EXPRESS AN INTEREST IN PARTICIPATING IN THE POTENTIAL CONSTRUCTION OF A LIBRARY BRANCH AT THE TWIN PAD ARENA SITE PROPOSED FOR JOE SAMS PARK.

MOTION CARRIED.

12. PRIVATE AND CONFIDENTIAL

MOVED by Councillor Pearson, seconded by Ms Moccio,

**THAT THE LIBRARY BOARD MOVE IN-CAMERA TO DISCUSS
LABOUR ISSUES.**

MOTION CARRIED.

MOVED by Councillor Pearson, seconded by Ms Gautrey,

THAT THE IN-CAMERA SESSION BE ADJOURNED.

MOTION CARRIED.

12.1 Legal Counsel Representation in Negotiations

MOVED by Mr. Carson, seconded by Ms Horbach,

**THAT THE HAMILTON PUBLIC LIBRARY BOARD CONTINUE
TO UTILIZE THE LEGAL FIRM HICKS MORLEY HAMILTON
STORIE TO REPRESENT THE LIBRARY'S INTERESTS IN
LABOUR RELATIONS MATTERS, INCLUDING THE UPCOMING
2005 NEGOTIATIONS.**

MOTION CARRIED.

13. DATE OF NEXT MEETING

Wednesday, February 16, 2005
Central Library, Board Room
5:30 p.m. Dinner
6:00 p.m. Meeting

14. ADJOURNMENT

MOVED by Ms Moccio, seconded by Ms Gautrey,

**THAT THE HAMILTON PUBLIC LIBRARY BOARD MEETING OF
WEDNESDAY, JANUARY 19, 2005 BE ADJOURNED.**

MOTION CARRIED.

The meeting was adjourned at 8:35 p.m.

Minutes recorded by Karen Hartog.

Hamilton Public Library Board 2004 External Audit Plan Communication

**Submitted to
Members of the Board
February 16, 2005**

Grant Thornton 

Contents

Introduction	1
Client Service Team	2
Current Business Environment	3
Governance Responsibilities	4
Management's Responsibilities	5
Audit Approach and Scope of the Engagement	6
Significant Audit Areas	10
Independence	11
Fees	12
Anticipated Timing	13
Summary	14

Appendices

- A – Independence Letter
- B – Current Assurance and Financial Reporting Developments

INTRODUCTION

We are pleased to provide our Audit Plan for the December 31, 2004 audit of the financial statements of the Hamilton Public Library Board (the Library) together with our independence letter. This audit plan forms part of our ongoing communication with the Board in accordance with the requirements of the CICA Handbook, "*Communications with those having oversight responsibility for the financial reporting process*". This document is intended to provide for clarification and understanding of roles in the financial reporting and financial audit process, as well as Grant Thornton's services currently provided to the Library.

In this document we also outline current accounting and reporting issues to be considered for the purpose of reporting on the financial statements.

This communication provides an outline of our approach to the examination of the financial statements of the Library. The primary purpose of documenting our approach is to provide a vehicle for effectively communicating the external audit process to the members of the Hamilton Public Library Board. We view the development of our audit service plan as an important process that provides all parties to the audit process with an opportunity to reassess the audit needs, focus areas, approach and expectations for performance. Our audit strategy has been developed based on our knowledge and experience, as well as discussions with management regarding developments during the current year. This plan will be subject to change as we evaluate additional information and assess the results of our procedures completed during the course of our work.

We welcome input to the audit planning process and comments on the Grant Thornton audit approach.

CLIENT SERVICE TEAM

The personnel assigned to the Library audit are as follows:

Evan McDade	Lead Audit Partner	emcdade@grantthornton.ca
Thane MacKenzie	Quality Assurance Review	tmackenzie@grantthornton.ca
Melanie Dugard	Senior Manager	mdugard@grantthornton.ca
Jean Byrnes	Commodity Tax Specialist	jbyrnes@grantthornton.ca
Christopher Lukas	Senior Accountant	clukas@grantthornton.ca

We realize the importance of staff continuity in the services we provide. Through continuity, our people gain the knowledge of previously addressed accounting and reporting practices so that efficiencies are achieved and maintained. All of the senior personnel noted above represent continuity from the 2003 and/or 2002 audit.

CURRENT BUSINESS ENVIRONMENT

Business Environment

The current business environment is characterized by the following:

- ◇ Unprecedented focus on high-quality, transparent financial reporting;
- ◇ Increasingly complex and voluminous financial reporting requirements;
- ◇ Expanding disclosure requirements;
- ◇ Increasingly complex and sophisticated business transactions and structures;
- ◇ High profile irregularities and restatements intensifying interest by regulators and others who rely on the financial statements;
- ◇ Greater competency requirements for those responsible for governance (i.e. Board, Audit Committee).

New standards and guidance have been introduced by law makers, regulators and professional bodies in North America in an attempt to address the increased expectation for clearer financial reporting and responsibilities. In particular, recent releases of new reporting and governance requirements for public companies have placed significant emphasis on the proper oversight of financial reporting. While the most significant and publicized requirements relate to publicly traded companies, the changing business environment is impacting on the expectations of all “publicly accountable” organizations, including municipalities and local boards. These changes are manifesting themselves within the municipal movement by way of heightened stakeholder expectations and scrutiny of governance processes, internal controls and financial reporting. Public statements by the Premier of Ontario re-enforce this view, directly linking evolving public company standards with stakeholder expectations of government.

As a result of the changing environment, Corporate Governance is important to all entities. It is important for governing bodies to understand their responsibilities in these areas. Grant Thornton encourages Councils and Audit Committees to develop a framework within which governing bodies can best develop existing “best practices” to support the independent and objective oversight of the financial reporting process.

GOVERNANCE RESPONSIBILITIES

Role of the Governing Body

The Audit Committee has overall responsibility for the oversight of an entity's financial reporting. Where an Audit Committee does not exist, this becomes the Board of Director's responsibility. Accordingly, the role of the Board is central to ensuring the integrity of financial information. The Board is therefore expected to be actively involved in overseeing financial reporting and satisfying themselves that the Library's financial reports are comprehensive, reliable, understandable and responsive to the needs of the readers.

In light of the changing business environment, the Board must consider how to conduct certain activities, as a business and risk management necessity, to ensure they are well prepared as effective watchdogs to appropriately focus on the matters critical to quality financial reporting. The Board should ensure that they understand the operating environment, the basic structure of transactions, their business purpose, and the significant implications. In overseeing financial reporting, it is not only important to rely on the information provided but also to challenge, analyze, interpret and evaluate the information.

The importance of the need for effective Corporate Governance has been heightened in the minds of stakeholders. There is an expectation by stakeholders that individuals, who sit in oversight roles, and particularly in governance roles, will act with sufficient discipline and enact robust processes to execute their duties effectively. Grant Thornton encourages Boards and Audit Committees to develop a framework within which governing bodies can best develop and adopt existing "best practices" to support the independent and objective oversight of the financial reporting process.

MANAGEMENT RESPONSIBILITIES

Financial Statement Preparation

The responsibility for financial statement preparation, including the notes thereto, and representation lies with management. This responsibility includes the determination of significant estimates made in the preparation of the statements, as well as effective disclosure of transactions and events.

Internal Controls and Reporting Process

Being responsible for preparing the financial statements includes responsibilities relating to internal control, such as designing and maintaining accounting records, selecting and applying accounting policies, safeguarding assets and preventing and detecting error and fraud, and ensuring the preparation of the financial statements in accordance with Canadian generally accepted accounting principles.

Management is also responsible for assessing the impact of any misstatements detected during the preparation and audit of the financial statements, individually and in aggregate, on the fair presentation of amounts and disclosures contained in those financial statements and determining if such adjustments should be recorded.

AUDIT APPROACH AND SCOPE OF THE ENGAGEMENT

Responsibility of the External Auditor

Grant Thornton LLP has been engaged to examine the financial statements of the Hamilton Public Library Board as at and for the year ending December 31, 2004. The role of the external auditor is to audit the information contained in the financial statements, including the notes, in accordance with generally accepted auditing standards, and to report to management and the Board.

Our responsibility is to plan and perform an audit to obtain reasonable assurance that the financial statements, taken as a whole, are free of material misstatement. It is important to understand that an audit is not designed to, and should not be relied upon, to provide absolute assurance that there are no misstatements in the financial statements resulting from fraud, irregularities and errors or illegal acts. Due to the inherent limitations of an audit, there is an unavoidable risk that some misstatements of the financial statements will not be detected, even though the audit is properly planned and performed.

The prevention of fraud, irregularities and errors is dependent upon the maintenance of an adequate system of internal control and is a management responsibility. We consider internal accounting procedures and systems of internal controls to the extent necessary to determine our auditing procedures. Our audit work does not provide assurance on the internal control structure, nor do our procedures necessarily cover all control systems upon which management may be relying.

While our audit is not specifically directed towards providing assurance on the internal control systems, a by-product of our audit is a list of concerns and suggestions for improvement that we feel should be brought to the attention of management and the Board. These items are included in a written management letter. Also, any significant proposed audit adjustments that could, in our judgment, either individually or in the aggregate, have a significant effect on the financial statements, will be reviewed with management and reported to the Board.

Overall Approach

Our audit approach will focus on:

- Identifying the business risks that may have a significant impact on the financial statements;
- Obtaining an understanding of the Library processes for managing business risks, and processes and controls in place for developing accounting estimates recorded in the financial statements;
- Obtaining an understanding of the significant classes of transactions (eg. receipts, disbursements) and how the Library entities process them through to inclusion in the financial statements;
- Applying our knowledge of the Library to develop expectations about assertions in the financial statements and comparing reported financial results to our expectations.

The risks referred to are those that impact on financial reporting and are not a comprehensive collection and analysis of the entire risk profile for the Library.

The concepts of materiality and audit risk are implicit in the wording of the standard Auditors' Report. It is intended to communicate, amongst other things, that the amounts included in the financial statements are not necessarily precise and that the audit does not provide absolute assurance that the financial statements are not materially misstated. We will seek *reasonable assurance* that the financial statements, as a whole, are not materially misstated.

Materiality

Materiality refers to the magnitude or nature of a misstatement, including an omission, of financial information either individually or in aggregate that, in light of surrounding circumstances, makes it probable that the judgment and/or decision of a reasonable person relying on the information would have been influenced as a result of the misstatement. Grant Thornton uses planning materiality to determine the extent of substantive audit procedures.

Auditing Guideline No. 31, *Applying Materiality and Audit Risk Concepts in Conducting an Audit*, provides guidance to auditors in the setting of materiality. The guideline provides clarification of the factors to be considered in applying materiality and emphasizes the greater use of professional judgment to assess errors versus reliance on quantitative assessments. There is also more guidance on assessing qualitative factors that affect materiality and on assessing the effect of misstatements on financial statements. These changes arose in large part due to concerns over "earnings management" by entities. There is now less tolerance for unadjusted identified misstatements, regardless of amount.

For 2004, our planning materiality has been assessed at \$200,000.

It is important to note that this is a guidance amount used for sampling purposes only. It is not indicative of the magnitude of the transaction sizes evaluated or the thresholds used, along with qualitative factors, for error evaluation purposes. We will use a lower working materiality in considering whether any misstatements detected during the audit, either individually or in the aggregate, are significant. In our year-end report to the Board, we will also summarize all non-trivial errors that come to our attention, including those that are subsequently adjusted by management.

Management is responsible for maintaining accurate books and records, and the expectation is that all non-trivial errors will generally be corrected. In the current business environment, stakeholders are increasingly sensitive to non-material errors in the financial statements, and in some circumstances, such items may be considered fraudulent financial reporting. As an example, the *US Securities and Exchange Commission's Staff Accounting Bulletin (SAB) 99, Materiality*, advances the view that intentional misstatements, although determined to be immaterial to the financial statements taken as a whole, can be a violation of US securities laws. While the context of the material is the US equity market, i.e. publicly listed companies, it is reflective of internationally evolving expectations of all parties with responsibility for financial reporting, particularly with respect to significant publicly accountable entities.

We understand that revisions were made to the staff manual to update controls around cash management and petty cash in May 2004. This revision was made based on a review of the current controls in place around cash handling to minimize the risk of loss. We have received a copy of this update in policy and have incorporated it into our general understanding of your operation in assessing audit risk.

Audit Risk

Audit risk is defined as "the risk that the auditor will fail to express a reservation in his or her opinion on financial statements that are materially misstated". Audit risk includes the following components:

- (a) Inherent risk, which is the risk of a material misstatement occurring in the first place;
- (b) Control risk, which is the risk that an organization's system of internal control will not prevent or detect a material misstatement;
- (c) Detection risk, which is the risk that a material misstatement that has not been corrected by an organization's system of internal control will not be detected by us.

Inherent risk and control risk exist independently of the audit, and are functions of an entity and its economic and control environments, regardless of whether an audit is conducted. Detection risk relates to the nature, extent and timing of our audit procedures. We will assess inherent and control risks to enable us to design sufficient substantive procedures to reduce risk to a level that, in our

judgment, results in an appropriate level of audit risk. There remains a risk that errors will not be found due to inherent limitations of auditing procedures (eg. sampling) and the fact that all relevant information may not be made available to us.

New Audit Requirements

Audit requirements and professional standards are continuously changing. Grant Thornton must stay attuned to these changes and ensure that we are in compliance with the professional standards under which we report (i.e. Canadian Generally Accepted Auditing Standards). These standards are not optional. Grant Thornton takes seriously its role in working with the rest of the profession to contribute toward recent standards and pronouncements, and continues to be active in the development and consultation process.

As a result of the changed business environment, there are increased expectations of both auditors and governing bodies to challenge the financial information presented by management. Further changes to Canadian Auditing Standards are proposed and will be based on the new International Auditing Standards. These changes will require, among other things, a requirement to obtain an enhanced understanding of the entity's business and controls along with a more direct linking of identified risks to specific audit procedures. The proposed changes are significant and are intended to raise the audit standards.

Assistance from Staff

A list of working papers to be prepared by Library staff to assist in the audit has been provided to Mr. Bill Guise, by way of a letter December 9, 2004. Audit work associated with financial statement balances will not commence until draft financial statements have been finalized by management.

SIGNIFICANT AUDIT AREAS

Identifying Significant Audit Areas

During the planning process, we identify critical cycles or those transaction cycles that are likely to have the most risk of a material misstatement. Designating a cycle as critical does not necessarily mean that problems are anticipated and areas may be so identified even though no major problems are expected.

Each cycle has a number of assertions, such as completeness and valuation. The same degree of risk of material misstatement does not necessarily apply to all assertions within a critical cycle. Therefore, our judgment as to critical cycles is further refined to the assertion level within a critical cycle. A critical assertion is one where monetary amounts are material, and environmental factors alone (those relating to inherent risk and the control environment), are not sufficient to reduce the risk of material misstatement to an acceptably low level.

The identified areas having a high risk of material misstatement in the Library's accounts include revenues, and operating expenses. As a result, we will perform an increased level of audit work in these areas.

Revenues

Revenues represent a critical audit area as a result of the large dollar values and volume of transactions involved. Our approach will include agreeing the municipal contributions from the City of Hamilton to the amounts in the budget as well as an analysis of fine revenue by month. We will audit the reasonability of the accounts receivable at year end by testing subsequent payments and reviewing any accounts written off during the year.

Operating Expenses

Operating expenditures represent a critical audit area due to the large dollar value and volume of transactions processed. We will be examining the support for significant expenditures during the year and ensuring appropriate approvals exist. We will also compare operating expenditures to both budgeted and 2003 actual amounts and investigate any significant variations. We will also be testing the payable footing for reasonableness, ensuring that all liabilities at year-end are recorded in the financial statements.

INDEPENDENCE

Library Relationship

As external auditors of The Hamilton Public Library Board, we are required to be independent in accordance with the Canadian professional requirements. These standards require that we confirm our independence in a written letter, at least annually, and disclose to the Board all relationships that, in our professional judgment, may reasonably be thought to bear on independence. We discuss our relationship with the Library Board in our independence letter provided in appendix A.

We confirm that we are not presently aware of any relationship or non-audit services that would impair our independence for purposes of expressing an opinion on the financial statements.

During our audit, we will communicate any significant new matters at the time the relationship is established or the matter is first identified. At the completion of our audit, we will reconfirm our independence.

Estimates and Assumptions

The audit fee reflects our best estimate of the time that will be required to complete the audit, given the nature and size of the Library's operations, the assistance that we have received and expect to receive from financial and non-financial management, our mix of professional staff, the number of critical audit areas, significant financial reporting matters and the condition of the accounting records.

Our fee estimates have been developed based on the assumption that draft financial statements, requested data files and extractions, and year-end working papers are accurately prepared and made available to us in the time frame outlined. Delays in obtaining these items and/or inaccuracies in their preparation and/or reconciliation to related financial documents and reports will adversely impact on our projected fee and will be billed separately. While we have provided a list of required schedules to be prepared by Library staff, we are not able to articulate all that may be necessary due to changing circumstances.

It is management's responsibility to ensure that the books of account, working papers and financial statements are completed and supported by appropriate documentation and where applicable reconciled to third party information.

Estimated 2004 Fees

The estimated fee for the 2004 audit for the Library is \$5,000. This fee represents a \$1,000 increase from our audit fee for 2003. The fee includes all audit related services as itemized in the Audit Approach and Scope of the Engagement section of this document, and all additional audit work in the current year with respect to the proposed changes to accounting and auditing standards, as outlined in Appendix B.

ANTICIPATED TIMING

The proposed timing of our 2004 audit efforts is set out below:

<i>Key Activity</i>	<i>Tentative Timing</i>
Audit planning	October 2004
Year-end fieldwork	March 21 st – March 25th, 2005
Presentation of Draft Financial statements*	April, 2005
Draft management letter	April, 2005

The above noted timing is related directly to the timing of the City of Hamilton closing its books for the year. If the City is delayed, the above timing will need to be adjusted accordingly. Timing has been tentatively setup with management as outlined in the schedule above.

SUMMARY

The purpose of this Audit Plan Communication is to assist in the Board's awareness and understanding of the audit process and provide information on the roles and responsibility of management, staff and the external auditors.

Upon completion of the audit, matters arising from the audit, including any identified weaknesses in internal control, significant audit adjustments or audit differences, and/or additional advisory comments, will be communicated in writing to the Board. Prior to bringing these items forward, we will review our findings with management and provide them with the opportunity to comment.

Grant Thornton is pleased to continue our provision of external audit services to the Hamilton Public Library Board.

APPENDIX A

INDEPENDENCE LETTER

February 16th, 2005

Members of the Hamilton Public Library Board
55 York Blvd, PO Box 2700
Hamilton, Ontario, L8N 4E4

Dear Board members:

We have been engaged to audit the financial statements of the Hamilton Public Library Board ("Library") for the year ended December 31, 2004.

Canadian generally accepted auditing standards (CICA Handbook section 5751) require that Grant Thornton LLP communicate at least annually with the Board regarding all relationships between the Library and Grant Thornton that, in our professional judgment, may reasonably be thought to bear on our independence.

In determining which relationships to report, the Guideline requires us to consider relevant rules and related interpretations prescribed by the appropriate provincial institute and applicable legislations, 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; and
- (e) Provision of services in addition to the audit engagement.

We are not aware of any relationships between the Library and Grant Thornton that, in our professional judgment, may reasonably be thought to bear on our independence, which have occurred from January 1, 2004 to December 31, 2004.



With respect to item (e) we can report that there were no services provided to the Library in addition to the audit engagement.

The auditing standards require that we confirm our independence to the Board of Directors. However, since the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario deal with the concept of independence in terms of objectivity, our confirmation is to be made in that context. Accordingly, we hereby confirm that we are objective with respect to the Library within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario as of February 16, 2005

We look forward to discussing with you the matters addressed in this letter, as well as other matters that may be of interest to you. We are prepared to answer any questions the Board members may have regarding our independence, as well as other matters.

This report is intended solely for use of the Board and others within Hamilton Public Library Board and should not be used for any other purposes.

Yours truly,

GRANT THORNTON LLP

A handwritten signature in cursive script that reads "Grant Thornton LLP".

Evan McDade, CA, CBV
Partner

APPENDIX B

**CURRENT ASSURANCE AND FINANCIAL REPORTING
DEVELOPMENTS**

Financial Statement Discussion and Analysis

Governments and other publicly accountable entities are beginning to include information such as financial statement review, financial indicators and performance measures in their financial reports. To provide for some consistency and guidance in this area, an exposure draft has been issued on *Financial Statement Discussion and Analysis*. A "Statement of Recommended Practice" has been issued, and while not having the same authority as the PS Handbook, it is hoped that the exposure draft will encourage local governments to implement these types of enhanced disclosures, thus assisting financial statement users in gaining greater insight into the entity's operations and financial position.

The exposure draft recommends certain content and formatting for financial statement discussion and analysis. The main objective is to clearly explain and highlight information underlying the financial statements using expanded narratives, charts or graphs, which would serve to highlight certain key relationships, trends or variances.

Tangible Capital Assets

In April 2003, PSAB approved a project proposal on accounting for and reporting the non-financial assets of local governments. Non-financial assets include tangible capital assets, inventories of supplies and prepaid expenses such as insurance.

The Public Sector Accounting (PSA) Handbook does not currently provide standards for accounting for capital assets for local governments. However, tangible capital assets do have a future economic benefit, and therefore, the stock of tangible capital assets needs to be reported. Local governments do not have a generally accepted definition of what is a tangible capital asset. Items included in tangible capital assets vary from province to province and among local governments within provinces.

For purposes of improved comparability and consistency in application, a definition of tangible capital assets and accounting for the stock of tangible capital assets is needed. A public exposure draft is expected to be approved in March, 2005 and the final Handbook material approved September, 2005.

In addition, the project will assess whether changes are needed to the local government financial statement model. Those local governments required to comply with the PSA Handbook follow a modified accrual method of accounting for non-financial assets. If information about the stock and use of non-financial assets is to be provided, changes in a local government's reported financial

position and annual results may be needed. A statement of principles is expected to be completed in June 2005, with an exposure draft expected in November 2005. Final handbook material would not be approved until June 2006.

Post-Employment Benefits, Compensated Absences and Termination Benefits

The standard groups these benefits into two categories: those that are accounted for on an accrual basis and those that are accounted for only once a certain specific event occurs.

The Section recommends recognition, measurement and disclosure requirements of obligations for post-employment benefits, compensated absences and termination benefits in the financial statements of federal, provincial, territorial and local governments.

The recommendations should be applied for all fiscal years ending on or after January 1, 2004.

Liabilities

In June 2004, three new Handbook Sections were approved: Liabilities, Section PS 3200, Contingent Liabilities, Section PS 3300, and Contractual Obligations, Section PS 3390.

The major change to the Liabilities Section was in response to comments received on the extent of the guidance provided for defining constructive and equitable obligations. The final Section defines constructive and equitable obligations, and made a statement that if there are obligations of this type, and they meet the definition of a liability, they should be recognized as such. The guidance associated with determining when obligations of this type should be recognized remains.

Generally Accepted Accounting Principles (GAAP)

PSAB proposes, subject to comments, to issue new Handbook section PS 1150, Generally Accepted Accounting Principles.

The section is intended to clarify GAAP for the public sector. This would include primary sources of GAAP for governments and the criteria that must be satisfied in determining another source of GAAP when a primary source is not available. PSAB expects to approve the new section in November, 2004.

Measurement Uncertainty

PSAB proposes, subject to comments, to issue a new PS Handbook section Measurement Uncertainty, which will apply to all levels of government. The exposure draft proposes a definition of measurement uncertainty and disclosure requirements. PSAB expects to approve the new section in November 2004.

Sale-Leaseback Transactions

PSAB proposes, subject to comments, to issue new PS Guideline PSG-5, Sale-Leaseback Transactions – Expense-Based.

The key proposals are as follows:

- To depart from the existing 'interdependence' approach to accounting for sale-leaseback transactions where it is assumed that the terms of the sale and the leaseback are not able to be objectively separated
- To recommend a 'components' approach that assumes the sale transaction can be separated objectively from the leaseback transaction
- To permit only assets and liabilities that meet their definitions in section PS 1000 to be presented on the statement of financial position
- Where the leaseback constitutes a leased tangible capital asset, the transaction is in substance a financing arrangement
- Where the leaseback constitutes an operating lease, it is in substance a sale of the property

PSAB expects to approve the new section in March 2005

Financial Statement Presentation

Prospective application for fiscal years beginning on or after April 1, 2005 (comparative numbers should be re-stated and reclassified as necessary to conform to the new presentation)

Section recommends general reporting principles and standards for the disclosure of information in government financial statements.

Includes reporting the change in net debt and reporting the legislative control and financial accountability

AUDITING DEVELOPMENTS

Exposure Draft – Audit Risk

The CICA recently issued an exposure draft on assessing audit risk. The proposed standards are based on existing international standards issued by the International Auditing and Assurance Standards Board (IAASB). The proposed standards will harmonize Canadian standards with the IAASB standards. The CICA standards become effective for all audits of financial statements for periods ending on or after December 15, 2005.

The primary objective of the audit risk standards is to enhance how auditors work with and apply the audit risk model. Examples of the enhancements include:

- a) A requirement for a more in-depth understanding of the entity and its environment, including the plans and actions resulting from the assessment of business risks and their effect on financial reporting.
- b) A requirement to document internal controls over financial reporting for all audits, regardless of the audit approach.
- c) A requirement to assess the effectiveness of the design of internal controls against an internal control framework, also regardless of the audit approach. In addition, the standards encourage the auditor to test controls in order to assess their operating effectiveness.
- d) A requirement to directly link the assessed audit risks with the nature, timing and extent of audit procedures performed in response to those risks.
- e) Expanded documentation requirements.

The goal of these standards is to improve audit quality by providing the auditor with information to enhance the design and performance of audit procedures. The new requirements are intended to provide increased rigor to the auditor's procedures, and to enhance the auditor's knowledge, by requiring the auditor to obtain information not only from people directly involved in financial reporting and management, but also those with operational roles within the entity. The direct link between assessed risks and audit procedures is expected to enhance the focus of the audit on areas where there is a greater risk of misstatement.

The Auditor's Responsibility to Consider Fraud and Error

In April 2004, the AASB approved revisions to Handbook Section 5135, The Auditor's Responsibility to Consider Fraud and Error. The Section is derived from International Standard on Auditing 240, The Auditor's Responsibility to Consider Fraud in an Audit of Financial Statements (ISA 240), issued by the International Auditing and Assurance Standards Board (IAASB). The new Section applies to audits of financial statements for periods ending on or after December 15, 2004.

The principal changes to Section 5135 include the following:

- ◇ A requirement for members of the engagement team to discuss the susceptibility of the entity's financial statements to material misstatement due to fraud or error, and a requirement for the engagement partner to consider which matters are to be communicated to members of the engagement team not involved in the discussion;
- ◇ More specific guidance on enquiries of management and others within the entity on the risk of fraud;
- ◇ A requirement to design and perform certain mandatory procedures to address the risk of management override of internal controls, including examining journal entries, reviewing

Attachment #4.1

accounting estimates for bias and evaluating the business rationale for significant unusual transactions;

- ◇ A presumption that there is ordinarily a risk of fraud in revenue recognition, a requirement to perform further procedures if the risk is present and a requirement to document the reasons when the auditor has not identified revenue recognition as a risk;
- ◇ A requirement to incorporate an element of unpredictability in the selection of the nature, extent and timing of the audit procedures performed in response to assessed risks of material misstatement due to fraud;
- ◇ Significantly more detailed documentation requirements;
- ◇ Removal of the assumption of management's good faith.

Chief Librarian's Report February, 2005

Flamborough

Beth Hovius, Sharon Boughton and I participated in the Flamborough Twin Pad citizen's meeting on February 1st. We informed the committee of the board's motion and of the board's potential interest in a cooperative project. We outlined some of the steps needed to bring the library into the project, such as a closer inspection of the site and the implications of locating a library at the site, the need for community involvement, and agreement that the library would be able to help pick the architect and help it influence the project at the design stage.

Ontario Digital Library/Minister's Announcement

The Minister of Culture announced, at the OLA conference, \$700,000 in funding to support the public library component of the Ontario Digital Library initiative. She made it clear that this is the first step toward the creation of an ODL and that she is hopeful other ministries will soon be involved. As the public library representative on the multi-sector ODL initiative, I was thrilled. Responsibility for the public library portion of the initiative will, it appears, be given to the CELPLO consortium of which we are a part and for which I have been a negotiator.

Peter Rogers

Peter Rogers is scheduled for a quadruple by-pass operation on Wednesday, February 9th. The operation is being performed at Hamilton General. I will be keeping track. Flowers were sent on behalf of the Board.

Library Journal recognition of Darcy Glidden

Library Journal is the premier library journal in North America. It is the voice of the American Library Association. Each year, LJ includes a special supplement devoted to 25 "movers and shakers" in the library community. One of our branch managers, Darcy Glidden, will be cited as a mover and shaker in LJ this year. The issue will be released in mid-March. We are all extremely proud of Darcy.

Rockton

The Rockton Branch was broken into on February 9-10. Computers and DVDs were stolen. It just occurred and I don't have many other details.

CAM/Stoney Creek Branch

Collection Access/Management and the Stoney Creek Library Branch are both located in the former Stoney Creek City Hall. There is a strong possibility that space in the building will be leased to the RCMP. We have been assured that none of the existing library space will be affected by the lease agreement.

Hamilton Families Read

1036 people attended 11 author presentations across the community from January 24th to January 27th. It was extremely successful.

Central Elevator

We have had two incidents over the past six weeks when Central patrons were stuck in an elevator for more than an hour. The most recent incident, which took place on January 24th, saw several people stuck from just before 6 pm until 9:20 at night. Bill Guise has written to the company about the fact that it took far too much time for Otis staff to respond and we hope that the issue has been addressed.



DATE: February 11, 2005
TO: Hamilton Public Library Board Members
C.C.: Administration Committee
FROM: George Geczy, Chair, Hamilton Public Library Board
SUBJECT: NOTICE OF MOTION – AMENDMENT TO HAMILTON
PUBLIC LIBRARY BOARD BY-LAWS

MOVED BY:

SECONDED BY:

**THAT THE HAMILTON PUBLIC LIBRARY BOARD APPROVE THE
ATTACHED REVISED BY-LAWS AT ITS MEETING OF MARCH 23, 2005.**

BACKGROUND:

The By-laws Committee met on January 17th and amended the Library Board By-laws. The amendments are shown on the attached document.

As Recommended by the Board By-Law Transition Team

**HAMILTON PUBLIC LIBRARY BOARD
BY-LAW FOR THE REGULATION OF THE BUSINESS OF THE BOARD**

The Hamilton Public Library Board is duly constituted as a corporation and governed by the provisions of the *Public Libraries Act, Statutes of Ontario, 1990, Chapter P. 44* and is established by the provisions of City of Hamilton By-Law 2001-??.

The Hamilton Public Library Board, hereinafter called "the Board", enacts the following by-laws for regulation of the business of the Board.

Corporation

1. In accordance with the *Corporations Act*, the Board shall have a corporate seal, which shall be under the control and responsibility of the Chief Executive Officer. This seal shall be affixed under the direction of the Board to all deeds, contracts, or documents requiring the seal, which seal shall be attested to by the signatures of the Chair and the Secretary, or by such other member and/or other officer as the Board shall direct.
2. The Head Office of the Board shall be at 55 York Boulevard, Hamilton, Ontario L8N 4E4.

Officers

3. The Board shall have the following officers:
 - Chair
 - Vice-Chair
 - Secretary
 - Treasurer
 - Chief Executive Officer

Chair

4. The Chair shall be elected at the first meeting of the Board in each year, shall hold office for one year and may be re-elected for a maximum of two additional consecutive years.
5. The primary role of the Chair of the Board is to ensure the proper functioning of the Board and the proper conduct of Board business, in accordance with all relevant legislation and with the rules of procedure adopted by the Board.
6. The Chair's responsibilities include:
 1. Presiding at regular and special meetings of the Board in the manner and extent prescribed by the Board.

2. Committing to the Board to no course of action unless specifically authorized by the Board to do so.
3. Serving as an *ex officio* member of all Board committees.
4. Only the Chair may represent and speak for the Board to outside parties in announcing Board-stated positions and in stating Chair decisions.
5. Acting as one of the authorized signing officers of all documents pertaining to Board business.
6. Representing the Board, alone or with other members of the Board, at any public or private meetings for the purpose of conducting, promoting or completing the business of the Board.
7. Notifying the Vice-Chair, if for any reason, the Chair is unable to perform these functions.

Formatted: Bullets and Numbering

Vice-Chair

7. The Vice-Chair shall be elected at the first meeting of the Board in each year, shall hold office for one year and may be re-elected for a maximum of two additional consecutive years.
8. The Vice-Chair, in the absence or illness of the Chair, shall act in the place and stead of the Chair and while so acting has all the powers of the Chair.

Secretary

9. The Secretary of the Board shall be the Chief Executive Officer.

Treasurer

10. The Board shall appoint a Treasurer.

Chief Executive Officer

11. The Board shall appoint the Chief Executive Officer, who shall be its Chief Librarian, and who shall hold office until the Board rescinds the appointment or a new appointment is made. The Chief Executive Officer shall be responsible, under the supervision of the Board, for the general conduct and management of the Hamilton Public Library.

Systematic and rigorous monitoring of CEO job performance will be solely against the only expected job outputs: organizational accomplishments of Board policies on Ends and organizational operation within the boundaries established by the Board.

Formatted: Indent: Left: 0.63 cm

1. Monitoring is simply to determine the degree to which Board policies are being met. Data that do not do this will not be considered to be monitoring data.
2. The Board will acquire monitoring data by one or more of three methods:

Formatted: Bullets and Numbering

Formatted: Indent: Left: 1.27 cm

Formatted: Bullets and Numbering

- (a) Internal report, in which the CEO discloses compliance information to the Board
- (b) External report, in which a disinterested, external third party selected by the Board, assesses compliance with Board policies.
- (c) Direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.

Formatted: Numbered + Level: 2 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 2.54 cm + Tab after: 3.17 cm + Indent at: 3.17 cm

3. In every case, the standard for compliance shall be any reasonable CEO interpretation of the Board policy being monitored.

Formatted: Numbered + Level: 3 + Numbering Style: 1, 2, 3, ... + Start at: 3 + Alignment: Left + Aligned at: 1.27 cm + Tab after: 1.9 cm + Indent at: 1.9 cm

4. All policies that instruct the CEO will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any methods, but will ordinarily depend on a routine schedule.

Formatted: Indent: Left: 1.27 cm

Formatted: Numbered + Level: 3 + Numbering Style: 1, 2, 3, ... + Start at: 3 + Alignment: Left + Aligned at: 1.27 cm + Tab after: 1.9 cm + Indent at: 1.9 cm

5. The Board may exercise discretion in evaluating CEO performance based on length of service or circumstances beyond the CEO's control.

Formatted: Numbered + Level: 3 + Numbering Style: 1, 2, 3, ... + Start at: 3 + Alignment: Left + Aligned at: 1.27 cm + Tab after: 1.9 cm + Indent at: 1.9 cm

Only decisions of the Board are binding on the CEO.

1. Decisions or instructions of individual Board members, officers or committees are not binding on the CEO except in rare circumstances when the Board has specifically authorized or delegated such exercise of authority.

Formatted: Indent: Left: 0.63 cm

2. In the case of Board members or committees requesting information or assistance without Board authorization, the CEO can refuse such requests.

Formatted: Indent: Left: 1.27 cm, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 1.9 cm + Tab after: 2.54 cm + Indent at: 2.54 cm, Tabs: 1.9 cm, List tab + Not at: 2.54 cm

The CEO is the Board's only link to operational achievement and conduct, so that authority and accountability of staff, as far as the Board is concerned, is considered to be authority and accountability of the chief executive.

Formatted: Indent: Left: 1.27 cm

1. The Board will never give instructions to persons who report directly or indirectly to the CEO.

Formatted: Indent: Left: 1.27 cm, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 1.9 cm + Tab after: 2.54 cm + Indent at: 2.54 cm, Tabs: 1.9 cm, List tab + Not at: 2.54 cm

2. The Board will refrain from evaluating, either formally or informally, any staff other than the CEO.

Formatted: Indent: Left: 0.63 cm

Formatted: ... [1]

Formatted: Indent: Left: 1.27 cm

Formatted: ... [2]

Board Members Code of Conduct

12. Board Members must avoid any conflict of interest with respect to their fiduciary responsibility by adhering to the regulations of the Municipal Conflict of Interest Act.

Deleted: <#>¶

Deleted: Vacancies¶

Formatted: Bullets and Numbering

- (a) There will be no self-dealing or any conduct of private business or personal services between any Board member and the organization except as procedurally controlled to assure openness, competitive opportunity and equal access to inside information.
- (b) Board Members will not use their positions to obtain employment in the organization for themselves, family members or close associates. Should a member desire employment, he or she must first resign.
- (c) Members will annually disclose their involvements with other organizations, with vendors, or any other associations that might produce a conflict.

Formatted: Indent: Left: 1.27 cm, Numbered + Level: 3 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 3.49 cm + Tab after: 4.13 cm + Indent at: 4.13 cm, Tabs: 1.9 cm, List tab + Not at 4.13 cm

Members will respect the confidentiality appropriate to issues of a sensitive nature.

Formatted: Indent: Left: 0.63 cm

Vacancies

13. In the event of a vacancy occurring on the Board, the Secretary, upon instructions from the Board in session, shall advise Council and request that a new member be appointed to fill the vacancy under the conditions contained in the *Public Libraries Act*.

Formatted: Bullets and Numbering

14. In the event of a vacancy occurring during the year in office of Chair or Vice-Chair, the Board at its first regular meeting thereafter shall elect a new Chair or Vice-Chair to serve for the remainder of the elected time in that office.

Formatted: Bullets and Numbering

Resignation

15. Members of the Board who must resign before the end of their term of appointment on the Board shall inform both the Clerk of the City of Hamilton and the Secretary of the Board in writing, specifying the effective date of their resignation.

Formatted: Bullets and Numbering

Elections

16. Election of Chair and Vice-Chair shall take place annually at the Board's inaugural meeting.

Formatted: Bullets and Numbering

17. The Chief Executive Officer shall take the chair and shall call for nominations for Chair from the Nominating Committee and then from the floor. Nominations shall be made with no seconder required. Nominations shall be closed by a motion made and seconded. Voting shall be by a show of hands or by secret ballot if requested by any member of the Board. The nominee receiving a clear majority of the votes cast shall be declared elected by the Chief Executive Officer. Should no member receive a clear majority, balloting shall proceed with the nominee's name receiving the smallest number of votes being dropped.

Formatted: Bullets and Numbering

18. The Chief Executive Officer shall call for nominations for Vice-Chair from the Nominating Committee and then from the floor and the election shall be conducted in the manner outlined above.

Formatted: Bullets and Numbering

19. The new Chair shall take the chair immediately after elections have been completed.

Formatted: Bullets and Numbering

Meetings and Notice of Meetings

20. A regular meeting of the Board shall be held on the third Wednesday of the month (except July and August) at 6:00 p.m. in the Board Room at the Central Library, 55 York Boulevard, Hamilton or at such other day or time or such other place as may be agreed upon by the Board.

Formatted: Bullets and Numbering

21. Written notice of all regular meetings together with the proposed agenda and the minutes of the immediately preceding regular meeting and of any special meetings shall be communicated to each member of the Board at least three days in advance of such meetings.

Formatted: Bullets and Numbering

Special Meetings

22. The Chair may, or upon the written request of any two members of the Board shall, call a Special Meeting by giving, through the Secretary, at least two days written notice to each member, specifying the purpose for which the meeting is called.

Formatted: Bullets and Numbering

23. The purpose of a Special Meeting shall be specific. No business shall be transacted or considered at such a meeting other than that specified in the notice.

Formatted: Bullets and Numbering

Inaugural Meeting

24. In the first year of its term, the Board shall hold its annual inaugural meeting at a place and time to be determined by the Chief Executive Officer, provided that such meeting shall be held within 30 days of the appointment of a majority of its members.

Formatted: Bullets and Numbering

25. In the second and third years of its term, the Board shall hold its annual inaugural meeting at the place and time of its regular January meeting and the regular meeting shall take place immediately following the inaugural meeting.

Formatted: Bullets and Numbering

Attendance

26. Board members are expected to attend all meetings of the Board. Any member who must be absent from a meeting must advise the Secretary in

Formatted: Bullets and Numbering

advance. In any event, absence from three consecutive meetings of the Board will result in the member's disqualification from the Board unless the member is 'excused for cause' by a motion of the Board

- | 27. The Secretary shall record the names of members in attendance in each meeting of the Board and of its committees.

Formatted: Bullets and Numbering

Quorum

- | 28. A quorum, which shall be a majority of the Board, must be present for the transaction of business at a meeting. If a quorum is not present within fifteen minutes after the hour for which any Board meeting has been called, the Secretary shall record the names of such members present and the Board shall stand adjourned.

Formatted: Bullets and Numbering

- | 29. Nothing in the foregoing shall prohibit the members in attendance for a regular meeting, when no quorum is present, from constituting themselves as a committee dealing with such agenda items as they see fit. However, no decisions taken at such meeting may be executed until ratified by motion at a regular meeting of the Board or, when time is of the essence, written approval of such decisions may be obtained from a majority of the members of the Board.

Formatted: Bullets and Numbering

Voting

- | 30. All members of the Board (including the Chair) shall vote on all questions unless they have declared an interest in the matter. Any motion on which there is an equality of votes shall be deemed to be lost.

Formatted: Bullets and Numbering

- | 31. Motions shall be carried by a simple majority of those present except as otherwise provided for in this By-Law.

Formatted: Bullets and Numbering

- | 32. Notice of motion given at the previous meeting and two-thirds majority vote is required for:

Formatted: Bullets and Numbering

- a motion to reconsider a lost motion.
- a motion to amend the by-laws.

Procedure

- | 33. All motions other than routine business or those arising out of reports from standing or special committees may be ruled out of order unless the mover gives notice at least seven (7) days before the meeting at which said motion is presented. Notice of motion, in writing, shall be delivered both to the Secretary and to all members of the Board seven (7) days before the Board meeting.

Formatted: Bullets and Numbering

Rules of Debate

34. The rules and practice set out in *Robert's Rules of Order* shall govern wherever applicable in all cases not specifically provided for in these by-laws.

Formatted: Bullets and Numbering

Order of Business

35. The order of business at regular meetings of the Board shall be:

Formatted: Bullets and Numbering

- 1. Discussion
- 2. Acceptance of the Agenda
- 3. Minutes
- 4. Presentations
- 5. Reports
- 6. Consent Items
- 7. Business Arising from the Minutes
- 8. Correspondence
- 9. New Business
- 10. Private and Confidential
- 11. Date of Next Meeting
- 12. Adjournment

Formatted: Bullets and Numbering

Deleted: Approval

Deleted: Declarations of Interest

Deleted: Delegations

Deleted: Minutes

Deleted: <#>Communications Committee Reports

Deleted: Administrative Reports

Deleted: Other Business

Delegations

36. Members of the public may make verbal presentations to the Board as a delegation with the permission of the Chair or upon written notification to the Secretary, received seven (7) days in advance of the meeting.

Formatted: Indent: Left: 0 cm, Tabs: 0.63 cm, List tab + Not at 1.27 cm

Formatted: Bullets and Numbering

Minutes

37. The Secretary shall keep Minutes of every meeting of the Board.

Formatted: Bullets and Numbering

38. The Minutes shall be confirmed at the next following meeting, and shall be signed by the Chair or person presiding at the meeting at which the Minutes are confirmed.

Formatted: Bullets and Numbering

Committees

39. Ad Hoc Committees may be appointed by the Board to deal with special issues assigned by the Board. Such committees report to the Board and shall be dissolved immediately upon making their final report to the Board.

Formatted: Bullets and Numbering

40. A committee may have any number of members. The Board shall name a chair for each ad hoc committee. Such committees report to the Board and shall be dissolved immediately upon making their final report to the Board.

Formatted: Bullets and Numbering

41. A quorum for all committees shall be the majority of members. Committees meet when required at the call of the committee chair.

Formatted: Bullets and Numbering

42. The Chair of the Board shall be a member of all Committees of the Board *ex-officio*.

Formatted: Bullets and Numbering

43. The Secretary of the Board (or designate) shall attend all committee meetings and shall be the Secretary of all committees.

Formatted: Bullets and Numbering

44. **A Nominating Committee** composed of four members, one of whom shall be the Chair of the Board, shall be appointed by the Board annually at its November meeting to present the slate of officers for the ensuing year at the next Inaugural Meeting. In a municipal election year, the outgoing Chair of the Board shall appoint the Nominating Committee from among the members of the new Board immediately following the appointment of the new Board by City Council. In each year, the Nominating Committee shall meet before and report to the next Inaugural Meeting following its appointment.

Formatted: Bullets and Numbering

45. **An Executive Committee** may be appointed by the Board as required. This Committee shall consist of four (4) members, one of whom shall be the Chair of the Board. The Executive Committee shall exercise all of the powers of the Board during the months of July and August or any other specific time period, subject to any restrictions that may be imposed upon if from time to time by the Board. The Chair of the Board shall appoint alternate members as required in the event that any member(s) of the Executive Committee is unable to attend a meeting of the Committee. The Committee shall meet at the call of the Chair and a quorum shall consist of three (3) members.

Formatted: Bullets and Numbering

46. Board meetings are open to the public.

Formatted: Bullets and Numbering

In Camera Sessions

47. An *in camera* session of the Board shall be held when it is expedient to consider all or part of an agenda *in camera* because "intimate financial or personal matters" may be disclosed in debate and the desirability of protecting against the consequences of such disclosure outweighs the desirability of holding the meeting in public.

Formatted: Bullets and Numbering

48. The decision must be confirmed by the Board or Board Committee in the form of a motion "THAT item(s) # ___ be considered during an *in camera* session". Such a motion shall be non-debatable and, if it is carried, the Chair shall designate a time for the session to be held. An *in camera* session shall be ended by a motion that the regular session be resumed.

Formatted: Bullets and Numbering

49. Any actions determined during an *in camera* session must be authorized by Board motion passed during regular open session and recorded in public minutes. However, the Board's Secretary may designate the minutes of *in camera* sessions as confidential if Section 28(2) of the *Public Libraries Act* applies.

Formatted: Bullets and Numbering

Payment of Board Expenses

50. Citizen appointees shall be paid no salary, fees or honorarium for their services. However, any member of the Board may be reimbursed for their actual, out of pocket expenses and travel costs, incurred as a result of their acting either within or outside the municipality in their capacity as members of the Board. Such payments must be allowed for in the budget that is approved by the Board and Council and the expenses must have been incurred with the prior approval of the Board.

Formatted: Bullets and Numbering

Amendment of the By-Laws

51. Amendments to these by-laws may only be made at a regular meeting provided that Notice of Motion in writing shall have been given at the previous meeting. Such amendments shall require a two-thirds majority vote of the Board.

Formatted: Bullets and Numbering

Effective Date

These By-Laws shall come into effect on March 23, 2005 and all former By-Laws and Rules of Procedure of predecessor Boards are hereby repealed.

Deleted: May 16, 2001

Indent: Left: 1.27 cm, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1
+ Alignment: Left + Aligned at: 2.54 cm + Tab after: 3.17 cm + Indent at: 3.17 cm,
Tabs: 1.9 cm, List tab + Not at 3.17 cm

Indent: Left: 1.27 cm, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1
+ Alignment: Left + Aligned at: 2.54 cm + Tab after: 3.17 cm + Indent at: 3.17 cm,
Tabs: 1.9 cm, List tab + Not at 3.17 cm



Hamilton Public Library

*Growing minds.
Growing community.*

DATE: February 11, 2005
REPORT TO: Chair and Members of the Board
FROM: Ken Roberts, Chief Librarian
SUBJECT: **Strategic Priorities 2005-2007**

A suggested amendment to the Strategic Priorities was circulated to Board members. I did receive feedback and changed the document to reflect the new suggestions. Unless there are any issues, then, here are the 2005 – 2007 Hamilton Public Library Strategic Priorities:

Strategic Priority #1: Strengthen Communities

Library branches and the Central Library will be places for neighbours to get together, for ideas to be shared, for events to take place and for people to spend time together. "I'll meet you at the library" will be a phrase that people use with pride. Hamilton Public Library branches will be social forces within their communities and good partners to community organizations. The Hamilton Public Library will support community development and will assist people as they broaden their horizons.

Strategic Priority #2: Support diverse needs

The Hamilton Public Library system will serve people in ways that are relevant to their unique circumstances. The library will align services to recognize the fact that Hamilton residents come from a wide variety of experiences and backgrounds. The library will have conversations with those we serve and those we could serve in order to ensure that the Hamilton Public Library is a source for relevant information, community joy and hope.

Strategic Priority # 3: Continue to develop and energize our organization

The Hamilton Public Library will work with current and future staff members to harness energies and opportunities, to identify emerging trends, and to ensure that the library's workforce continues to acquire the training and personal growth necessary to support the changing needs of those we serve. As an organization, the Hamilton Public Library commits itself to a work environment where staff are acknowledged and contributions are recognized.