

Mission Statement

Freedom to Discover.

Strategic Priorities

Strengthening Communities Strengthening Individuals Strengthening Our Organization

HAMILTON PUBLIC LIBRARY BOARD

Regular Board Meeting
Wednesday, June 17, 2009
Central Library, Board Room

5:00 p.m. Meeting

7:00 p.m. Cocktails

8:00 p.m. Dinner

AGENDA

1. Discussion Period

1.1 Presentation of Petition from Kathrine Watson re Highridge Bookmobile Stop

2. Acceptance of the Agenda

3. Minutes of the Hamilton Public Library Board Meeting
of Wednesday, May 20, 2009

Attachment #3

4. Presentations

5. Consent Items

6. Business Arising

6.1 Strategic Plan

Attachment #6.1

Suggested Action: Receive

6.2 Preliminary Rural Branch Service Report

Attachment #6.2

Suggested Action: Receive

6.3 Central Update

Oral Report

Suggested Action: Receive

7. Correspondence

Attachment #7

- Email from Kathrine Watson dated May 15, 2009
- Response letter to Kathrine Watson from Jennifer Gautrey dated May 27, 2009
- Letter from Sheri Selway dated May 10, 2009
- Response letter to Sheri Selway from Jennifer Gautrey dated May 22, 2009

8. Reports

8.1 Chief Librarian's Report

Attachment #8.1

Suggested Action: Receive

9. New Business

9.1 Report from the Auditors

Attachment #9.1

Suggested Action: Receive

9.2 2008 Financial Statements

Attachment #9.2

Suggested Action: Recommendation

10. Private and Confidential

11. Date of Next Meeting

Wednesday, September 23, 2009

Central Library, Board Room, 5th Floor

5:30 p.m. Dinner

6:00 p.m. Meeting

12. Adjournment

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 Meeting

Wednesday, May 20, 2009
Central Library, Board Room
5:30 p.m. Dinner
6:00 p.m. Meeting

MINUTES

PRESENT: Jennifer Gautrey, George Geczy, Suzan Fawcett, Krzysztof Gumieniak, Maureen McKeating, Santina Moccio, Mary Ann Leach, Doreen Horbach, Councillor Jackson, Councillor Pearson, George Nakamura

STAFF: Beth Hovius, Lisa DuPelle, Paul Takala, Ken Roberts, William Guise, Maureen Sawa, Karen Hartog

GUESTS: Robert Plant

Ms Gautrey called the meeting to order at 6:05 p.m.

1. DISCUSSION PERIOD

- 1.1 Ms Gautrey reported on the YWCA Women of the Year Awards dinner attended by staff and board members.
- 1.2 The Turner Park press conference was very positive and successful. The Turner Park official opening is scheduled for Saturday, May 23, 2009.
- 1.3 Ms Selway's letter was distributed to board members. Ms Gautrey will respond.

2. ACCEPTANCE OF THE AGENDA

MOVED by Ms McKeating, seconded by Ms Horbach,

THAT THE AGENDA BE APPROVED AS PRESENTED.

MOTION CARRIED.

3. MINUTES OF THE HAMILTON PUBLIC LIBRARY BOARD MEETING OF WEDNESDAY, APRIL 22, 2009

MOVED by Ms Leach, seconded by Ms Fawcett,

THAT THE HAMILTON PUBLIC LIBRARY BOARD MINUTES OF WEDNESDAY, APRIL 22, 2009 BE ADOPTED AS PRESENTED.

MOTION CARRIED.

4. **PRESENTATIONS**

No presentations.

5. **CONSENT ITEMS**

MOVED by Ms McKeating, seconded by Ms Leach,-

THAT CONSENT ITEM 5.1 BE APPROVED AS PRESENTED.

MOTION CARRIED.

5.1 That \$10,000 be allocated from the Special Gifts Fund (CTRUS 25010) to fund a Digitization Technician until September 2009.

6. **BUSINESS ARISING**

No business arising items.

7. **CORRESPONDENCE**

- Letter from Katherine Watson to Ken Roberts, Councillor Duvall and Mayor Eisenberger

Received for information. Ms Gautrey will prepare a response letter.

8. **REPORTS**

8.1 Chief Librarian's Report

Received for information.

9. **NEW BUSINESS**

9.1 Strategic Plan Progress Report

The draft report was received for information. The final progress report will be included in the June Library Board package.

9.2 Rural Branch Service Report

Received for information. Board members were requested to send any comments to Beth Hovius. A final version of the report will be included in the June Library Board package.

9.3 Sherwood Renovations

MOVED by Ms Leach, seconded by Ms Moccio,

THAT THE SHERWOOD LIBRARY BE CLOSED FOR RENOVATIONS AND UPGRADES AS REQUIRED.

MOTION CARRIED.

9.4 Sunday Hours

MOVED by Councillor Pearson, seconded by Ms McKeating,

THAT SUNDAY LIBRARY SERVICE BE PROVIDED AT THE CENTRAL, DUNDAS, RED HILL AND TURNER PARK BRANCHES FROM THE FIRST SUNDAY AFTER LABOUR DAY UNTIL THE LAST SUNDAY IN APRIL OF EACH YEAR BETWEEN THE HOURS OF 1:00 PM TO 5:00 PM SUBJECT TO OPERATIONAL CONSTRAINTS.

MOTION CARRIED AS AMENDED.

9.5 Valley Park Library – Closure

MOVED by Ms Leach seconded by Ms Horbach,

THAT THE VALLEY PARK LIBRARY BE CLOSED FOR BUILDING MAINTENANCE AND REPAIR AS REQUIRED.

MOTION CARRIED.

Board Members requested that Councillor Clark be kept up-to-date as required.

10. PRIVATE AND CONFIDENTIAL

No private and confidential items.

11. DATE OF NEXT MEETING

Wednesday, June 17, 2009

Central Library, Board Room, 5th Floor

5:00 p.m. Meeting

7:00 p.m. Cocktails, 8:00 p.m. Dinner, Hamilton Club, Chairmen's Dinner

12. ADJOURNMENT

MOVED by Councillor Pearson, seconded by Ms Fawcett,

THAT THE HAMILTON PUBLIC LIBRARY BOARD MEETING OF WEDNESDAY, MAY 20, 2009 BE ADJOURNED.

MOTION CARRIED.

The meeting was adjourned at 7:35 p.m.

June, 2009 Progress Report

Hamilton Public Library Board 2007 - 2011 Strategic Plan

Mission Statement

Freedom to Discover

Values

Intellectual Freedom

Providing Access to all expressions of knowledge and creativity

Inclusiveness

Connecting with diverse communities

Innovation

Anticipating and responding to changing needs

Respect

Embracing a diversity of opinions and protecting the dignity of individuals

Accountability

Ensuring that library services are vital and relevant

Strategic Priorities 2008 - 2011

Strengthening the Community

The Hamilton Public Library will be a source of civic pride. We will offer welcoming public spaces where ideas are freely explored, events take place and people of diverse backgrounds feel equally at home. The library will make a positive social and economic impact. The library will preserve Hamilton's historic past and help community members to shape our future.

Strengthening Individuals

The Hamilton Public Library will serve people in ways that are relevant to their unique circumstances. The library will make it easy for the user to find what they are looking for and to delight in the discovery of things that are new. We will unite people, information and ideas using technology and personal service." The library will search for exciting ways for community members to become engaged in the development of library services.

Strengthening our Organization

The Hamilton Public Library will be a global leader, helping to ensure that public libraries remain relevant institutions. With a strong culture of leadership, the Hamilton Public Library will be both dynamic and resourceful. The library will embrace change to ensure that we are both relevant and effective. Staff will be encouraged to think, to contribute and to grow as knowledge workers.

Strategic priorities are intended to focus the discretionary energies of the organization. Continuous improvement and efficiency in all areas of library operations are assumed and expected. The Library Board recognizes that strategic priorities represent a vision that can be approached but never realized. The Board provides staff with specific objectives but administration is empowered to drop and to add objectives if better opportunities to advance Board strategic priorities emerge. Staff are responsible for producing an annual progress report on what they have actually accomplished. This is the report for the past year.

Report on Achievements related to the Strategic Priority: Strengthening the Community

- *Renovation to the Central Library (1st floor)*
This project is now fully funded and construction has begun. The project is being completed in tandem with the Farmer's Market renovation and changes to the York Blvd streetscape. The Central Library will be installing RFID technology as well as an automated materials handling system. These are additions to the original project scope.
- *Turner Park*
The 2008 objectives lists March, 2009 as the anticipated opening date for the Turner Park Branch. The project experienced some delays and opened in early May. Automated materials handling was added to the scope of the project but not yet installed. The overall staff complement for the Hamilton Public Library did not increase as a result of this new branch opening.
- *Lynden Library building project*
Property has been purchased and City Council has approved funding for the design of a new Lynden Branch. Opening a new branch in Lynden will close both the current Lynden Branch and the Rockton Branch. It is anticipated that the hours of operation will increase when Rockton staff shift to Lynden.
- *Waterdown Library building project*
The site of the former Flamborough Town Hall has been identified as the best site for a new Waterdown Library Branch. The Library and the City of Hamilton are undertaking a joint review in order to determine if this site can accommodate the addition of a library building.
- *Replacement of the Bookmobiles*
One bookmobile was replaced with a vehicle that is more accessible and more capable of housing computers. A second replacement bookmobile has been ordered and is expected to be delivered soon.
- *Alternative Service Delivery*
The Library Board approved an Inner City Service Plan at its March, 2009 meeting. The Picton Branch was identified for closure in June, 2009 at this same meeting.
- *Refreshing the look of library branches*
The Dundas Branch was refreshed in 2008, as were both Concession and Westdale. Saltfleet was added to the list when we merged services onto the first floor. The lease extension for Sherwood, signed in the fall, has created a Capital allowance for that facility and planning for a more extensive renovation is underway.
- *Working with Community Initiatives*
In response to the current economic crisis, we have offered our research services to many community organizations tasked with tracking trends and investigating potential initiatives. To date, we are working with the City's Wellness group, the Poverty roundtable, and other initiatives.
- *Community Portal*
We commissioned a report to help determine the future of the community portal and the library's role in any future version of the portal. The report stated, quite conclusively, that a portal was desired by community partners and that the library was the logical agency to act as the lead.
- *Sunday Service*
Sunday service will be introduced at Red Hill, Turner Park, and Dundas as well as Central in September 2009.

**2009 - 2010 Objectives related to the Strategic Priority:
Strengthening the Community**

Facilities renewal will remain a focus for the Library Board. By spring, 2010 the Board hopes and expects that:

1. Work on renovations to the Sherwood Branch will be either under way or complete.
2. The new Waterdown Branch will have an acceptable, approved location; community consultation will have taken place and an architect will be working on designs.
3. The Lynden Branch will have Capital funding and construction will soon start or will have started.
4. A scope document will have been completed for Terryberry renovations; a Capital project will be submitted.
5. Some "refreshing" will have taken place at Terryberry (first floor) address building issues which impact on service changes and facilitate self-check
6. "Refreshing" will have taken place at both Red Hill and Barton. Saltfleet will have made some first floor modifications to facilitate self-check.
7. The Board will have an approved the Rural Service Delivery Plan.
8. The community portal will be launched (third quarter, 2009).
9. The bookmobiles will be enabled with real-time computer access.

Report on Achievements related to the Strategic Priority: Strengthening Individuals

- *Readers Advisory*
Close to 100 book clubs flourish across the system. Our relatively “new” non-fiction book club (Books and Bites) completed a successful year. Book club kits, book discussion groups, author visits and the ‘One City, Many Stories’ program enhanced our readers advisory role. We have improved our ability to ‘merchandise’ our collections through new display techniques and ongoing training.
- *Adult Programming/Changing focus*
We have broadened opportunities for diverse communities through programs such as English Conversation circles, French conversation circles, Chinese seniors program and ESL book clubs. We have introduced popular movie programs for adults and their families, which are much anticipated, and well attended. We have leveraged staff expertise to offer a variety of book clubs, programs on local history and genealogy and other areas of interest. We continue to expand the number of Public Computer Training classes. Full classes attest to the vital role public libraries play in supporting computer literacy and equitable access.
- *Bibliocommons*
The Bibliocommons project has been delayed, due to economic issues. We are looking forward to introducing Bibliocommons later in 2009.
- *Job Discovery Centres*
Job Discovery Centres are now operating in five library branches, using grant funding.
- *Language Workers*
In partnership, SISO workers who speak languages common amongst new Canadians are available for consultation in relevant branch locations.
- *Public Access Computers*
With the opening of Turner Park, the number of public access computers increased by 36 machines. We will again increase the number of public computers later in 2009. In 2009 staff implemented a test of Useful computer stations, an alternative to public computing that may allow for additional computers to be added without an impact on budget.
- *Wireless*
To date the Library now provides wireless access at 13 branches. Wireless service is very popular.

Proposed 2009 – 2010 Objectives related to Strengthening Individuals

1. *Bibliocommons will allow customers to share reviews and keep track of their reading habits.*
2. *Staff will present a report to the Board aimed at ensuring the sustainability of job discovery centres, where relevant, even if grant funding were to stop.*
3. *The myhamilton community portal will move, along with the library's website, to a new software platform, allowing easier editing and collaboration.*
4. *Blu-Ray (DVDS) and Playaways (small audio books) will be introduced to our collections.*
5. *All elements of the approved Inner City Service Plan will be investigated and, where practical, implemented.*
6. *We will expand wireless access and implement a solution that enables wireless customers to utilize printing services.*
7. *We will investigate possible collaborations with community partners such as SISO, Small Business Enterprise Centre, Canada Revenue Agency, St. Joseph's Women's Centre and others that might enable us to offer a variety of instructive sessions on financial topics such as "10 steps to starting your small business" and tax clinics.*
8. *We will prepare, for the Board, a plan for the sustainability of job discovery functionality in the event of grant funding is lost.*

Report on Achievements related to the Strategic Priority: Strengthening our Organization

○ *Management Training Program/Succession Planning*

The Library hired two new managers in 2008 and two new managers, as well as two temporary managers, in 2009. Orientation and training programs have been put in place. Several managers have requested and been given opportunities for additional training and for exposure to best practices at other libraries. One of our managers, Paul Takala, was promoted to a senior management position

○ *Health and Safety Audit*

A Health and Safety Audit, conducted by an independent agency, was completed in 2008. The Human Resources Department was re-structured and a professional staff member with Health and Safety expertise was hired. Several areas of the audit have already been addressed, including certification of all members of the Joint Health and Safety Committee.

○ *RFID*

FuJI RFID funding was approved by the Board. The library system will continue to implement RFID technology in 2009 and 2010. Sorters were approved by the Board for three additional locations - Terryberry, Central and Turner Park.

○ *Server Virtualization/Computer Renewal*

In 2009 the library underwent a major update to our server infrastructure using server virtualization. This technology enabled the library to reduce the number of servers, saving on both administration and energy costs. A new computer RFP was also completed in 2009. The library is reducing the cost of computers under the new contract. Our new contract includes several enhanced environmental standards; our new computers run a Jot cooler, use less energy and comply with environmental best practices.

○ *Staff Intranet - HPLNET*

A highly interactive staff Intranet site was launched in 2008. Goals of the site are: a) to empower staff with accurate and up to date information, b) to support staff engagement and participation, and c) to support the ongoing training and development of staff.

Proposed 2009-2010 Objectives related to Strengthening our Organization

- 1 *The operations of the library system will continue to be reviewed in order to ensure that we can balance our operating budget on a sustainable basis.*
- 2 *The management structure of the organization will be reviewed by the Chief Librarian and, if there are financial implications to any changes, recommendations will be brought to the Library Board.*
- 3 *A new performance appraisal system will be introduced first for use with all librarian staff members and then rolled out to other staff positions.*
- 4 *The recommendations of the 2008 Health and Safety Audit will continue to be implemented.*
- 5 *A new attendance management system will be implemented.*
- 6 *Succession Management/Management training and development will continue to be a focus of the organization.*
- 7 *The installation of RFID will continue. Efforts are being made to move this project forward quickly to reduce the costs and complications of running two systems concurrently.*
- 8 *(optional) Excessive materials handling will have been reduced through process changes, the reallocation of collections by use and the fast-tracked installation of RFID technology, including the trial of a mini-sorter which will be tested at Westdale to determine improvements to the self check-in of materials.*

9. *The implementation of the Accessibility for Ontarians with Disabilities Act will be monitored and reviewed by staff, with any necessary reports and recommendations going to the Board. The training of staff in customer service will be the first Act-driven initiative.*

Summary of all 2009-2010 Objectives

1. *Facilities renewal will remain a focus for the Library Board. By spring, 2010 the Board hopes and expects that:*
 - a. *Work on renovations to the Sherwood Branch will be either under way or complete.*
 - b. *The new Waterdown Branch will have an acceptable, approved location; Community consultation will have taken place and an architect will be working on designs.*
 - c. *The Lynden Branch will have Capital funding and construction will soon start or will have started.*
 - d. *A scope document will have been completed for Terryberry renovations; a Capital project will be submitted.*
 - e. *"Refreshing" will have taken place at both Red Hill and Barton.*
2. *The Board will have an approved Rural Service Delivery Plan.*
3. *The community portal will be launched (third quarter, 2009).*
4. *The bookmobiles will be enabled with real-time computer access.*
5. *Bibliocommons will allow customers to share reviews and keep track of their reading habits.*
6. *Staff will present a report to the Board aimed at ensuring the sustainability of job discovery centres, where relevant, even if grant funding were to stop.*
7. *The myhamilton community portal will move, along with the library's website, to a new software platform, allowing easier editing and collaboration.*
8. *Blu-Ray (DVDS) and Playaways (small audio books) will be introduced to our collections.*
9. *All elements of the approved Inner City Service Plan will be investigated and, where practical, implemented.*
10. *We will expand wireless access and implement a solution that enables wireless customers to utilize printing services.*
11. *We will investigate possible collaborations with community partners such as SISO, Small Business Enterprise Centre, Canada Revenue Agency, St. Joseph's Women's Centre and others that might enable us to offer a variety of instructive sessions on financial topics such as "10 steps to starting your small business" and tax clinics.*
12. *We will prepare, for the Board, a plan for the sustainability of job discovery functionality in the event of grant funding is lost.*
13. *The operations of the library system will continue to be reviewed in order to ensure that we can balance our operating budget on a sustainable basis.*
14. *The management structure of the organization will be reviewed by the Chief Librarian and, if there are financial implications to any changes, recommendations will be brought to the Library Board.*
15. *A new performance appraisal system will introduced first for use with all librarian staff members and then rolled out to other staff positions.*
16. *The recommendations of the 2008 Health and Safety Audit will continue to be implemented.*
17. *A new attendance management system will be implemented.*
18. *Succession Management/Management training and development will continue to be a focus of the organization.*
19. *The installation of RFID will continue. Efforts are being made to move this project forward quickly to reduce the costs and complications of running two systems concurrently.*
20. *The implementation of the Accessibility for Ontarians with Disabilities Act will be monitored and reviewed by staff, with any necessary recommendations going to the board. The training of staff in customer service will be the first Act-driven initiative.*

5/15/2009 10:38:00 AM

DO NOT CLOSE HIGHRIDGE STOP!!!!!!

Dear Fred Eisenberger, Scott Duvall and Ken Roberts

The Highridge bookmobile stop is a great necessity in our community and is most popular with children/families that are low-income families with or without transportation to the library and/or have limited English language skills. The dedicated bookmobile staff have made important personal connections with the people who use the bookmobile. The mobile service really does bring positive change in people's lives. The people in our neighborhood love the sense of community and personal service that a bookmobile brings — and children love the experience of a "library on wheels" in their own neighborhood. The staff helps the children find and bring materials needed to complete homework assignments and school reports. Parents borrowed piles of books to read to young children and or for themselves. New Canadians, who were at first hesitant to step on board, discovered a wonderful free service for their families, got to know their neighbors a bit better, and improved their English skills. Adult readers enjoyed browsing for books to read. Having the bookmobile available in our area also makes life easier for the elderly. Helps them socialize with others and gets them out of the house for a bit. Taking the bus to the library is a challenge for some family young or old. This is one stop that needs to stay and I am asking your help to prevent it from closing.

Thank you for taking the time to read my letter.

Sincerely,

Kathrine Watson

From: Roberts, Ken
Sent: Wednesday, May 27, 2009 9:57 AM
To: 'Kathrine Watson'
Cc: Duvall, Scott; Morrison, Alison
Subject: RE: Highridge bookmobile stop

Kathrine,

My name is Ken Roberts and I am the Chief Librarian of the Hamilton Public Library. The citizen Board Chair, Jennifer Gautrey, has written a response to your email about the closure of the Highridge bookmobile stop. It is just below. I would be happy to discuss any of her points with you, either through email or by phone or in person. Just let me know.

Ken

My name is Jennifer Gautrey and I am the Chair of the Hamilton Public Library Board.

I am writing in response to your passionate email regarding the Highridge bookmobile stop.

Your email arrived in time for it to be discussed at the May Library Board meeting held on May 20th. My note to you comes with the unanimous support of Board members.

The Hamilton Public Library's two bookmobiles are an important part of our service delivery. Since amalgamation, bookmobile stops have focused on two target audiences – seniors and neighbourhoods strongly affected by poverty. In addition, the bookmobiles serve to fill in service gaps in areas of the city that are long distances from the nearest library branch.

The Highridge stop does not meet this profile of a neighbourhood strongly affected by poverty; however, the stop was left in place, until such time as a branch library could be built on the South Mountain. The Turner Park Branch is now open and is quite close to the Highridge stop.

The Library Board has recently implemented an Inner City Service Plan. As part of this Plan, we have committed bookmobile stops to areas in the lower city that are much farther from library branches and where there are many more busy streets to be crossed before a library branch can be reached. These are also areas more strongly affected by poverty.

The only way that the Highridge stop could be maintained is to eliminate promised service to these areas of the city. The Library Board cannot justify keeping the service at Highridge, given other city needs and the proximity of the Highridge stop to the new Turner Park Library.

While we deeply appreciate the fact that you use and care for the library services you have received, we are proud to see that South Mountain residents are finally able to receive the library services they deserve. We do know that bookmobile customers are passionate in their love for the service and the staff and we appreciate your obvious concern.



Sheri Selway
President, North End Neighbours
444 Mary Street
Hamilton, Ontario, L8L 4W9
nen.president@gmail.com

May 10, 2009

Ken Roberts, Chief Librarian
Hamilton Public Library

Dear Mr. Roberts,

I am writing on behalf of N.E.N., North End Neighbours, the neighbourhood association representing residents of the North End. We strongly protest the closing of the Picton Library. Our community feels a real sense of betrayal and loss that our library is to close. It is a focus of our community.

We feel this closure has been engineered over the last several years by reducing the book collection at Picton, drastically reducing the hours, and offering few programs. In addition, our community was extremely disappointed when HPL backed out of a partnership opportunity with the North Hamilton Community Health Centre, even when a large amount of money was secured to facilitate this partnership.

Residents still hoped to save our library. A petition was submitted with 650 names. A delegation attended a library Board meeting, with Gladys Glen and our Councillor Bob Bratina speaking. On a bitter cold spell in February, many residents attended "consultations". However, we were not even informed that a vote to close the library would be taken at the March Board meeting.

Is it a coincidence that our branch is closing at a time when the library is short of operating funds? According to the Spectator, January 27 & 29, the library requested 1.5 million dollars above last year "due to opening a new branch and pay equity" from the City Budget. In addition, the Central Branch is undergoing a huge renovation.

We cannot help but feel largely ignored despite our efforts to be heard.

No contact was made with the North End before HPL announced the closing of the Picton Branch. No mention was made of the community's efforts, and no thanking residents for our opinions or feedback. No meeting was scheduled to get our ideas about the book mobile service. No community meeting was scheduled to include residents and our Councillor at all.

Maintaining services in the downtown core neighbourhoods is extremely important to a healthy Hamilton. Even HPL's priority #1 is "Strengthening Community". Are we not part of the Hamilton Community? This is a sad day, not only for the North end, but for Hamilton. Which urban neighbourhood library branch will be next? Downtown urban neighbourhoods deserve to be treated with respect and care.

Sincerely,
Sheri Selway

Cc: Library Board Members,
City Councillors
Mayor



Hamilton
Public Library
www.hpl.ca

55 York Boulevard
P.O. Box 2700
Hamilton, ON L8N 4E4
Phone: (905) 546-3200

Ms Sheri Selway,
President,
North End Neighbours,
444 Mary Street,
Hamilton, Ontario
L8L 4W9

May 22, 2009

Dear Ms Selway,

My name is Jennifer Gautrey and I am Chair of the Hamilton Public Library Board.

I am writing to respond to your recent letter to Board members and Council, as well as to your comments in the most recent issue of *The Breezes*. While your letter arrived too late for the Board agenda, it was read by all Board members in advance of the meeting and then discussed. I am authorized to respond on the board's behalf. My comments are strongly supported by the entire Hamilton Public Library Board.

I want to start by stressing that this Library Board and staff have never attempted to engineer the closure of the Picton Branch or of any location.

The reduction of the book collection you mention reflected the removal of items that had not circulated (i.e. had not moved from the shelves) in over two years. This same weeding process, using the same criteria, has been used at all library locations. When it happens use increases. Our practices are standard procedure for public libraries.

The hours at Picton were reduced after amalgamation at the same time as the hours were reduced at most library locations. The issue, at that time, was that the library system was required, by provincial law, to harmonize salaries at the former Hamilton level. We were required to accomplish this with little new funding and we did reduce our staff size. When the reductions took place, we consulted with North End residents. Hours were adjusted several more times in response to issues raised by community groups such as yours. The most recent change in hours occurred after the possibility of partnering with the North Hamilton Community Health Centre arose. We eliminated Saturday hours (moving them to weekday mornings) as a trial since the NHCHC is not open Saturdays. We wanted to reflect their hours and test community acceptance.

With regard to the North Hamilton Community Health Centre, representatives of the NHCHC approached the Library Board in the Spring of 2006 and proposed a partnership. The partnership was for 1000 square feet of space at a set price with the library receiving a 20 year minimum lease. The NHCHC Board stressed the need for urgency as they hoped to start construction that Fall. The Library Board passed a motion that did two things: it permitted staff to explore the potential for partnership and it set a financial limit to what the Board was able to invest.

Since Picton is well over 2,000 square feet, moving to the NHCHC would have resulted in a much smaller collection as well as fewer public computers.

By the Spring of 2008, no satisfactory partnership agreement had been negotiated and the cost had increased. Board members passed a motion to withdraw from discussions. The NHCHC then returned to the Library Board to present its best proposal. Even with the "large amount of money" you mention in your letter, the proposed cost was greater than the current Picton Branch with less than half the space. The lease terms were also far less friendly. As well, the North Hamilton Community Health Centre refused to disclose the source of this "anonymous donation." Library Board members made it clear that if a person or group wished to donate funds intended to benefit the library system, the person or group needed to speak confidentially with the Board Chair. As a publicly accountable institution, the library cannot accept benefit from an anonymous source without knowing more about its origins. The previous Board Chair, George Geczy, and I were never approached by any person or group to discuss such a donation.

As a result, the Library Board unanimously agreed that the North Hamilton Community Health Centre's proposal fell well short of any financial or service viability. A floor motion to withdraw from discussions was unanimously approved by the Library Board.

To be clear, the Library Board did not withdraw from any partnership. No partnership was ever achieved. Based upon community feedback, no branch within the small space that was proposed by NHCHC could have met any community expectations or have been delivered within a reasonable cost.

The Library Board did receive a petition that called for the existing location to be left open. As our 2007 Facilities Master Plan stressed, this facility cannot be modified to meet current, required standards. The premise of the petition is that the Library Board has the ability to set aside these required standards. The Library Board does not possess such powers. We have always made it clear that continued service from this location is simply not an option. It is a multi-unit leased facility and some of the required changes simply cannot be made.

The Library Board has consulted with North End residents on numerous occasions over the years and last November, it invited residents to meet individually with Board members at three sessions that were staggered – morning, afternoon and evening. The resulting report based on these consultations was released to the community in February, 2009. Each individual who participated in these sessions and who requested feedback received a copy of the report. In addition, copies were made available at the Picton Branch for library patrons to take home and read. The report is also available on our website www.hpl.ca. For your convenience, I enclose a copy of the report. All reports and potential decisions were highlighted on the library's website and the ward councillor was informed every time that a decision had to be made.

North End community residents who participated in the sessions expressed the desire for continued library service in the area. Many residents were open to the use of bookmobiles to deliver library materials and enable patrons to browse and to pick up materials locally. In response, the library is adding bookmobiles service to serve the North End. Board members felt that if we did not make two available bookmobile spots to the North End then there was a very real chance that residents would lose even more library service. As well, we had a legal obligation to provide our landlord with six months' notice before the expiration of our existing lease. This also affected our timing.

Ms. Selway, in your report published in a recent edition of *The Breezes* you allude to a threat that other urban core branches may be closed. The Board's Facilities Master Plan, which is a public document, lists branches that cannot, in their current locations, meet minimum required standards. This report has been widely available for several years. At present, all other urban branches meet, or can be renovated to meet, accessibility and building code standards. None are being considered for closure. Your observation about potential closure of other branches is misleading at best.

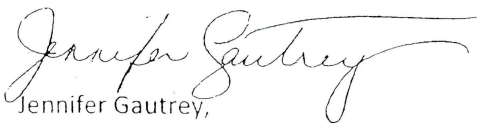
The final comments in your letter to Board and Council members relates to the Board's strategic priorities. The Hamilton Public Library Board takes its responsibilities very seriously. At the same March board meeting where the motion for closure was passed, the Library Board approved an Inner-City Service Plan that outlines ways to improve services in all areas of the inner city and to provide services where none are currently available. Again, this report was made available at the Picton Branch and is available on the library's website. We have enclosed a copy of the report for your convenience.

The reality is that the North End is extremely close to the Central Library, one of the best libraries in Canada. The North End also gains two new bookmobile stops. The North End continues to receive exceptional library service, by any standard.

We have offered, through Councillor Bratina, to meet with one or two representatives from North End community groups in order to keep the dialogue open as we implement our new services. While such a meeting could help to clarify actions that were taken and that can be taken, it cannot reverse any actions. We extend this offer to meet directly with you, should you wish to discuss these issues in person.

In conclusion, Hamiltonians continue to value this wonderful organization and the services it provides. The Library Board takes its responsibilities to this community very seriously and remains even more committed than ever to our strategic priorities and to the delivery of quality library service. We appreciate your interest and your concerns and can assure you that both staff and Board members are working to meet our mandate.

Yours,



Jennifer Gautrey,

Chair,

Hamilton Public Library Board

c.c. Mayor Eisenberger
City Council members



Hamilton Public Library

Date: June 9, 2009

To: Chair and Members of the Board

From: Beth Hovius, Director of Public Service and Collection Development

Subject: Rural Library Services Report

Recommendation: That this report be received for information.

Background:

This preliminary report provides a summary of current library service issues at the rural branches. There are no recommendations for service changes at this time.

6/9/2009

Rural Library Services: A Preliminary Report

Beth Hovius, Director of Public Service
and Collection Development

Table of Contents

Introduction.....	2
Scope of the Report.....	2
Review of the Facilities Master Plan	3
Lynden.....	3
Rockton	3
Millgrove	3
Freelton	4
Greensville.....	4
Carlisle.....	4
Mount Hope	4
Services	5
Service Hours	5
Greening of Library Services.....	5
The Collections.....	5
Public Computing.....	6
Outreach and Programming	6
Alternate Library Services	6
Bookmobile Service.....	6
Books by Mail	7
Conclusion.....	7

Introduction

Two reports have been produced to look at Library Services in conjunction with the *Facilities Master Plan* which focuses on the conditions of the library buildings. The *Inner City Library Services Report* described alternative library services appropriate to the inner city which should be developed to meet the needs of those residents. This *Rural Library Services Report*, recaps decisions and starting points raised by the Facilities Master Plan and its consultation process to ensure that resources are being efficiently used to provide the levels of service expected by community residents. It describes the services provided within the rural areas of the City of Hamilton and proposes alternate services appropriate to these areas.

Scope of the Report

This report applies to those areas served by the following branches, which provide service to largely rural areas and hamlets:

- Lynden
- Rockton
- Freelton
- Carlisle
- Millgrove
- Greensville
- Mount Hope

With the exception of Mount Hope, which is located in Ward 11, these branches are located wards 14 and 15 of the city. These branches serve about 15,000¹ or 3% of the total city population. These seven libraries account for 4.6% of the total square footage the system.

The Mount Hope branch is the only other branch which operates for less than 20 hours, with one staff person. It has been included here because the current building is inadequate. A new community recreation centre is planned for 2017, or after, and the Library could partner with the City for a new facility. The short term (up to 10 years) future of Mount Hope is problematic and an alternate location or bookmobile service may be necessary. It is expected that Turner Park will draw business from Mount Hope, but as Mount Hope grows a Library here is needed.

The following branches, which also serve rural areas, are excluded because they are in areas that are transitioning from rural to urban centres:

¹ The 2001 census population of wards 14 and 15 was 40,000 and it is estimated that Waterdown's population is about 25,000, thus leaving 15,000 in the remainder of the area.

- Binbrook – This is one of the fastest growing branches as the surveys around Binbrook fill up. As library use increases the next step will be to increase service hours.
- Stoney Creek - This branch, which opened in 2003, was located to provide library services to the growing lower east city. Planning for this community is taking place now, and the official plan is expected to be in place by January 2010. With a projected population of 16,000 – 20,000 plus the population north of the QEW, this branch will be too small for its population base when the area is fully developed.
- Waterdown – plans continue for a new facility.

Review of the Facilities Master Plan

The results of the *Facilities Master Plan*, which included a consultation process and examined the physical condition of the buildings is summarized here. Also included are key service measurements.

Lynden

2009 operating budget²: \$82,946

Plans are underway to build a new 4,000 – 5,000 sq. ft. branch in Lynden. Design fees have been approved for 2009, and a new branch could be built as early as 2010 which will include such features as expanded public space, increased number of public computers, programming, space and a collection of approximately 20,000 items (up from 14,000). Services would be provided 5 days per week to a total of 35 hours weekly. Programs for all ages would be offered. It is expected that this new library, drawing from western Flamborough, (Sheffield, Rockton, Troy and Copetown and east towards Mount Hope) would circulate approximately 65,000 – 70,000 items annually. While the building is inadequate, it could open 35 hours weekly (up from 27 hours) to compensate for a reduction in service hours (or closure) at Rockton.

Rockton

2009 operating budget: \$68,917

This branch is scheduled to close when Lynden opens, as the facility is inadequate. The intent is to transfer staff so that Lynden can be open more –35 hours weekly. At the public consultation, some concern was expressed about seniors and children's being able to access Rockton is scheduled to close when a new facility in built in Lynden. A bookmobile stop can be offered (at same location in the village, at the Beverly Community Centre, or both).

Millgrove

2009 operating budget: \$69,068

² These operating costs include only those costs charged directly to the branch operating budget. Items charged to a system budget, are not included. For example: collections, delivery, manager salary and benefits, computer costs, support services, etc. The more significant budget efficiencies would be found in the latter cost centres, if alternate services were provided at some rural locations.

Millgrove's circulation has dropped 10.8% bringing it to a new low of 16,425 – the lowest of any branch in the system. The Millgrove Library building has been identified as inadequate, and is slated for closure when Waterdown is built. Programs are offered in nearby Carlisle/ Waterdown as they do not attract a sufficient registration in Millgrove. However, given the availability of bookmobile service (at no additional cost to the system), the satisfaction of bookmobile customers, and the willingness of Millgrove residents to try bookmobile service (as identified in the consultation) Millgrove is an excellent candidate for bookmobile service effective at any time.

Freelton

2009 operating budget: \$66,952

Freelton Library's building is in excellent condition, although it receives little use. Few additional services are supported here, and programming has been consolidated in nearby Carlisle.

Greenville

2009 operating budget: \$139, 999 (includes children's position for these branches)

Greenville, located in a strip mall above Dundas, offers selected programs on a regular basis, particularly as it can handle the overflow from Dundas.

Carlisle

2009 operating budget: \$116,277

The Board has identified Carlisle as a building which cannot continue to provide services in the current location because of the expected future condition of the building. The future of Carlisle will be examined after the new Waterdown facility is open. Selected programs are offered here as a hub for Millgrove and Freelton.

Mount Hope

2009 operating budget: \$ 60,781

The current building is inadequate. A new community recreation centre is planned for 2017, or after, and the Library could partner with the city for a new facility. The short term (up to 10 years) future of Mount Hope is problematic and an alternate location or bookmobile service, may be necessary. It is expected that Turner Park will draw business from Mount Hope, at least in the short term. However, as Mount Hope continues to grow a Library here is needed.

Services

Service Hours

When service hours were adjusted after amalgamation it was determined that the number of hours a branch would be open would be determined by the average circulation of hour. A standard of 30 items per hour was established for the one-person branches.

A 2006 survey of branch libraries of all of the large public libraries across Canada indicates that of the 450 branch libraries in these library systems, 19% have an average circulation of less than 40 items per hour, and of these 14% have a circulation of less than 30 items per hour. The public's perception of a further reduction of service hours would be that we are trying to "kill off" the branch. On the other hand it does not make sense to keep a facility open when no one is using it.

Based on a service standard of 30 circulations per hour:

- Rockton: this branch could be as low as 13 hours weekly.
- Millgrove: this branch could be as low as 10 hours weekly.
- Freelton: this branch could be as low as 12 hours weekly.

Greening of Library Services

The Facilities Plan did not take into consideration the environmental costs of keeping locations open only a few hours per week since they have to be fully heated, cooled and systems such as water and septic systems maintained around the clock. Five branches are only open 17 hours per week, and the other two are open less than 30 hours weekly. The environmental impact of maintaining facilities which are open only 10% of the time is something the Board should take into account.

The Collections

The use of the collections follows the trends elsewhere – a high percentage of use (25%) is holds-based. The issue of stale collections which have been read-out but not worn-out and were an unfortunate feature of the small branches has been addressed by shared collections. As items are borrowed and returned, they will refresh automatically. All small branches have received an infusion of materials recently to replenish their shelves, with a corresponding increase in circulation.

Decreased use: 2008 circulation (decrease over 2007) and long term trend since 2001

- | | |
|--------------------------------|--|
| • Carlisle 2008 circulation: | 38,061 (down 2.8%); since 2001 down 21% |
| • Freelton 2008 circulation: | 18,463 (down 8.43%); since 2001 down 17% |
| • Millgrove 2008 circulation: | 16,425 (down 10.8%); since 2001 down 33% |
| • Mount Hope 2008 circulation: | 30,467 (down 7.15%); since 2001 up 1.7% |
| • Rockton 2008 circulation: | 20,806 (down 11.7%); since 2001 down 32% |

Increased use: 2008 circulation (increase over 2007) and long term trend since 2001

- | | |
|---------------------------------|-------------------------------------|
| • Greensville 2008 circulation: | 27,760 (up 4.2%); since 2001 up 2% |
| • Lynden 2008 circulation: | 41,269 (up 6.9%); since 2001 up 14% |

All of these branches report heavy use of print resources, and they lead the list with the highest percentage of holds placed on print materials, and the lowest percentage of holds on non-print. This is the opposite pattern of use to the inner city branches which has the lowest percentage of holds

placed on print and the highest on non-print. Only Freelton shows slightly higher percentage of holds for non-print than print by 1%.

Public Computing

High speed networking at the branches libraries remain an important draw of rural branches as high speed network connections are not available for home use in most of the area. Despite this, all of the branches in this report - Freelton, Greensville, Lynden, Carlisle, Rockton and Millgrove -- have excess public computer capacity. In fact, with a minimum of two public computers assigned to each branch, there are more public computers in this part of the city per capita than elsewhere in the system. Dundas and Ancaster libraries have draw a large number of customers from the rural areas.

Wireless access which is gradually being installed beginning with Lynden (new building), Ancaster, etc. will provide after-hours access to the Library catalogue and Internet. Therefore, kiosks in community centres are not required to provide access to the Internet and the Library's catalogue.

Outreach and Programming

There is very little demand for programming and programming is now consolidated at those locations where it is successful. There are no local social agencies to work with. Class visits take place in the local schools and the children of one school could be customers at different branch libraries. Freelton has no schools in its service area. There is a staff position that provides outreach and core children's programs within the rural community.

Alternate Library Services

Bookmobile Service

Bookmobile service is a viable and sustainable service option and a common method of delivery in rural library systems. A weekly (two-hour) bookmobile stop typically serves a neighbourhood of up to approximately 5,000 people, and circulates 20,000 - 25,000 items. As customers are increasingly using holds to preselect the materials they borrow, delivery-based services are a better service option. When bookmobile service is introduced, it is monitored and must meet certain levels of use. If it does not, or if new nearby facilities are built, the location of bookmobile stops are changed.

Customers of bookmobile service highlight the friendliness, personalized service and convenience as the key reasons, for their continued loyalty to this service. In addition, the rotating popular collection located on the bookmobiles provides more browsing variety than the small branch-based collections.

In the future, wireless capabilities will expand to the vehicles. Both new bookmobiles have been designed to incorporate computers when wireless access becomes more prevalent.

Availability

After June 2009, the bookmobile service will be able to offer services to Flamborough on either Monday or Friday, at no additional cost. Either two full neighbourhood stops could be provided each day, or a series of shorter stops visiting more hamlets could be arranged.

Potential locations include:

- Antrim Glen (on 8th Concession) is a survey near Freelton which is largely occupied by seniors. It has its own clubhouse which would provide a focal point for the community.
- Sheffield (school)
- Freelton – in survey, east of Hwy 6
- Westover Village
- Copetown (new seniors residences)
- Waterdown (seniors residences – near current location) – after Waterdown relocates

Books by Mail

This service uses the mail to get Library materials to customers. Books-by-mail are a service developed for outlying Canadian areas where regular library service does not reach, and which could apply to parts of Hamilton. It is subsidized by the Federal government, and is therefore relatively inexpensive for participating libraries. For example, the mailing fee is \$1.00 per item (return) plus staff costs to support it. It could be offered, to a limited geographic area, particularly if use does not support Bookmobile service in some hamlets, and if other services such as Visiting Library Services, are not an option.

Conclusion

This report, prepared for information purposes, summarizes the current situation at the rural branches.

CHIEF LIBRARIAN'S REPORT
JUNE, 2009

Canadian Library Association Conference

My term as President of the Canadian Library Association ended in Montreal on June 2, 2009. John Teskey, University Librarian of the University of New Brunswick, is the new President. I will, however, continue to be involved in several key initiatives such as strategic planning.

New Bookmobile

Our newest bookmobile is due to be delivered soon, perhaps even later this month.

TD Summer Reading Launch

Dignitaries from the TD Financial Group, including Vice President Frank McKenna, visited the Turner Park Branch on Tuesday, June 9th in order to launch TD's sponsorship of this year's Canada-wide Summer Reading Program. We also hosted staff and Board members from the Toronto Public Library, the CNIB, and Library and Archives Canada.

Official Opening of Turner Park

We held two official Turner Park opening events, one on Wednesday, May 20th, that was focused solely on the opening of the library and one on Saturday, May 23rd that was an open house for the entire facility. The Turner Park Branch is our third busiest library location, after one month of operation. While there is every intention of reviewing the impact of Turner Park on the activity (and staffing levels) at other locations, we are currently short staffed at Turner Park and using call-in hours to supplement the normal staff complement.

Collective Bargaining

We have one more day of scheduled collective bargaining (June 17th) before the summer. We have two days schedule for September, 2009.

General Staff Meeting

As you know, the library system closed for the morning on June 10th in order to allow all staff to attend a staff training/general staff meeting.

Atlantic Provinces Library Association

I attended the Atlantic Provinces Library Association conference as a guest on June 11th-12th and spoke about management and leadership. Su Cleyle and I were the closing plenary speakers, discussing in conversation trends that are affecting the future of libraries.

Facilities

The City of Hamilton has assigned a single, permanent staff member to manage our Capital facilities issues, managing structural upgrades. We are extremely pleased with this change in structure and with the person assigned to our branch locations.

POLICE INVESTIGATION

The Hamilton Police Department have been investigating a case of alleged threats sent through email. Some of this activity may have happened on a library public computer. Staff are currently holding evidence for the police that will be released to them if we receive a warrant. Staff have followed proper procedure. We are cooperating with police but protecting customer privacy.

Date: June 10, 2009

To: Chair and Members of the Board

From: William Guise, Director, Finance and Facilities
Hamilton Public Library

c.c. Ken Roberts, Chief Librarian

Subject: 2008 Financial Report

RECOMMENDATION:

That the 2008 Financial Statements for the Hamilton Public Library Board and Statements for the Hamilton Public Library Board – Trust Funds attached to this report be approved.

BACKGROUND:

Every year, the Library must prepare and present the audited financial statements to the Council of the City of Hamilton as required by the Public Libraries Act. The financial statements present the 2008 financial position of the Library as at December 31, 2008 and the financial activities for the year ended December 31, 2008.

Grant Thornton, LLP, Chartered Accountants, who are external auditors for both the City of Hamilton and the Hamilton Public Library have performed the statutory audit function and will be presenting their Audit Concluding Memorandum to the Board.

The Library derives revenue from donations and cash sales, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, the auditors' verification of these revenues was limited to the amounts recorded in the Library's records.

Subject to any required adjustments, if any, which they may have determined to be necessary had they been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, Grant Thornton, LLP, Chartered Accountants have expressed an opinion on the financial statements that they present fairly, in all material respects, the financial position of the Hamilton Public Library Board as at December 31, 2008 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles free of any qualifications.

The financial statements have been prepared by staff in accordance with generally accounting principles for local governments (including local boards) as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants (CICA). PSAB requirements for local boards include fund accounting, accrual accounting and post employment and retirement benefit obligations.

Subject: 2008 Financial Report
Page 2 of 3
June 10, 2009

Effective January 1, 2007, the Library adopted Accounting Guideline 7 (PSG-7) of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants ("CICA") with respect to the disclosure of tangible capital assets for local governments. PSG-7 provides transitional guidance on presenting information related to tangible capital assets until Section 3150 - Tangible Capital Assets of the Public Sector Accounting Handbook comes into effect on January 1, 2009.

Also attached to this report is the 2008 Financial Report for Hamilton Public Library Board Trust Funds.

Grant Thornton, LLP, Chartered Accountants, performed the statutory audit function and expressed an opinion, subject the limitation concerning the completeness of the donation revenue referred to previously these financial statements present fairly, in all material respects, the financial position of the trust funds of the Hamilton Public Library Board as at December 31, 2008 and the continuity of trust funds for the year then ended in accordance with Canadian generally accepted accounting principles.

Some highlights from financial results for 2008.

Operations

The Library had an operational deficit of \$111,630 as compared to an operational surplus of \$174,208 in 2007. Included in the operations for 2008 were \$388,980 in unanticipated pay equity costs. The operational deficit was funded from Library reserves.

Reserve Funds

The Reserve Fund balances have decreased \$234,762.55 from the December 31st 2007 balance of \$8,047,544.32 to \$7,812,781.77.

Interest on Received on Reserve Funds		\$ 286,390.51
Contributions from Operating Fund		
Funding for Mobile Equipment	30,000.00	
Funding for Repairs to Grounds	9,000.00	
Funding for Accessibility & Renewal Reserve	100,000.00	
Donations	13,287.89	
Lost Book Charges	36,269.05	
Printer Revenue	22,945.22	
Allowance from Landlord for Sherwood	186,000.00	370,502.16
Expenditures		
Vehicle Purchases	(\$ 418,546.20)	
Renovations to 5 th Floor Central	(27,163.95)	
RFID	(233,882.00)	
Library Materials	(102,659.10)	
Summer Reading Programs	(16,774.39)	

Subject: 2008 Financial Report
Page 3 of 3
June 10, 2009

Operational Loss for 2008	<u>(111,629.58)</u>	<u>(\$ 910,655.22)</u>
Decrease in Reserve Funds for 2008		<u>(\$ 253,762.55)</u>

Trust Funds

The Trust Account balances have decreased by \$236,300.43 from the December 31st 2007 balance of \$2725,919.27 to \$2,489,618.84.

Donations received		\$ 2,500.00
Interest on funds held by City Hamilton Community Foundation		23,874.57
Realized investment income	\$ 87,577.00	
Unrealized investment losses	(305,729.00)	
Management Fees	<u>(29,523.00)</u>	(247,675.00)
Funding of Programs approved by Board		<u>(15,000.00)</u>
Decrease in Trust Accounts Balances		<u>(\$ 236,300.43)</u>



Grant Thornton

Report to the Audit Committee - Communication of Audit Results

Hamilton Public Library
For the year ended December 31, 2008



Grant Thornton

April 3, 2009

Grant Thornton LLP
120 King Street West
Suite 1040
Hamilton, ON
L8P 4V2
T (905) 525-1930
F (905) 527-4413
www.GrantThornton.ca

To the members of the audit committee of Hamilton Public Library Board

We are pleased to report that we have now substantially completed our audit of the financial statements of the Hamilton Public Library Board for the year ended December 31, 2008. We have attached our draft auditors' report. We will finalize this auditors' report once we have the opportunity to discuss the results of our audit with you.

The report to the audit committee has been prepared in accordance with the assurance recommendations issued by the Canadian Institute of Chartered Accountants (CICA) entitled "Communications with Those Having Oversight Responsibility for the Financial Reporting Process". That standard recommends we communicate with the audit committee various matters including: the overall audit strategy, our responsibility as auditors, any matters arising from the audit, misstatements, significant accounting policies, and any other matters that may be of interest to the audit committee.

We express our appreciation for the cooperation and assistance received from the management and staff of the Hamilton Public Library Board during the course of our audit.

If you have any particular comments or concerns, please do not hesitate to raise them at our scheduled meeting.

Yours sincerely
Grant Thornton LLP

Grant Thornton LLP

Allister Byrne, FCA
Partner

cc: William Guise

Contents

	Page
Status of the audit	1
Reportable matters	2
Technical updates	4
Appendix A – Draft auditors' report	5
Appendix B – Draft Management representation letter	6

Status of the audit

We have substantially completed our audit of the financial statements of the Hamilton Public Library Board for the year ended December 31, 2008 and the results of that audit are included in this report.

As noted in the covering letter, we have attached our draft auditors' report as Appendix A. The following items need to be addressed/completed before that report is signed:

- Receipt of legal confirmation;
- Finalization of actuarial valuations for post-employment benefit liabilities;
- Receipt of signed management representation letter (draft has been attached as Appendix B); and
- Approval of the financial statements by the Audit Committee.

Reportable matters

Summary of disclosure matters

Our audit did not identify any misstatements.

Internal control

Management is responsible for the design and operation of an effective system of internal control that provides reasonable assurance that the accounting system provides timely, accurate and reliable financial information, and safeguards the assets of the entity.

Through our role as auditors of your financial statements we possess an understanding of the entity and its environment, including internal control. However, a financial statement audit is not designed to provide assurance on internal control. Professional standards do require us to communicate to the audit committee significant deficiencies and material weaknesses in internal control that have come to our attention in the course of performing the audit.

During the course of performing our audit, we did not identify any such reportable weaknesses in internal control.

Significant new accounting policies

There were no significant new accounting policies noted in the year.

Controversial, emerging or unique accounting policy issues

There were no new controversial, emerging or unique accounting policies issues noted. For 2009, the Board will be required to implement the new standard, PS 3150 Tangible Capital Assets.

Cooperation during the audit

We report that we received full cooperation from management and the employees of the Hamilton Public Library Board. To our knowledge, we were provided access to all necessary records and other documentation and any issues that arose as a result of our audit were discussed with management and have been resolved to our satisfaction.

Consultations with other accountants

To our knowledge, management did not seek the advice or opinion of other external accountants on financial reporting or accounting matters.

Fraud and illegal acts

Our inquiries of management did not reveal any fraud or illegal acts.

Independence

As external auditors of Hamilton Public Library Board, we are required to be independent in accordance with Canadian professional standards. These standards require that we disclose to the audit committee all relationships that, in our professional judgement, may reasonably be thought to bear on our independence. We have provided a letter to the Board, dated October 9, 2008, which confirms our independence with respect to Hamilton Public Library Board.

Technical updates

Accounting and auditing standards

Recent changes in accounting and auditing standards were included in our planning memorandum for the 2008 audit of the Hamilton Public Library Board. There have been no significant changes subsequent to the issuance of this memo. We would be pleased to discuss these changes if the audit committee has any questions.

Appendix A – Draft auditors' report

To the Board Members, Members of Council, Inhabitants and
Ratepayers of the Corporation of the City of Hamilton

We have audited the consolidated statement of financial position of the Hamilton Public Library Board as at December 31, 2008 and the consolidated statement of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Hamilton Public Library Board derives revenue from donations and cash sales, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Hamilton Public Library Board and we were not able to determine whether any adjustments might be necessary to donations and other revenue, net expenditures, assets and fund balances.

In our opinion, except for the effect of adjustments, if any, which we may have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Hamilton Public Library Board as at December 31, 2008 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Budget figures are provided for comparative purposes and have not been subject to audit procedures. Accordingly, we do not express any opinion regarding the budget figures.

Hamilton, Ontario
April 3, 2009

Grant Thornton LLP
Chartered Accountants

Appendix B – Draft Management representation letter

April 3, 2009

Grant Thornton LLP
Standard Life Centre
120 King Street West
Suite 1040
Hamilton, Ontario
L8P 4V2

Dear Sir/Madam:

We are providing this letter in connection with your audit of the financial statements of Hamilton Public Library Board as of December 31, 2008 and for the year then ended, for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, financial activities, and changes in financial position of the Hamilton Public Library Board in accordance with Canadian generally accepted accounting principles.

We acknowledge that we are responsible for the fair presentation of the financial statements in accordance with Canadian generally accepted accounting principles and for the design and implementation of internal controls to prevent and detect fraud and error. We have assessed the risk that the financial statements may be materially misstated as a result of fraud, and have determined such risk to be low. Further, we acknowledge that your examination was planned and conducted in accordance with Canadian generally accepted auditing standards so as to enable you to express an opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal controls and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose, fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, as of April 3, 2009, the following representations made to you during your audit.

Financial statements

1. The financial statements referred to above present fairly, in all material respects, the financial position of the entity as at December 31, 2008 and the financial activities and changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Completeness of information

2. We have made available to you all financial records and related data and all minutes of the meetings of the audit committee and board of directors.
3. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
4. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
5. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss.
6. We have identified to you all known related parties and related party transactions, including revenues, expenditures, debt, transfers of reserve amounts, non-monetary transactions and transactions for no consideration.

Fraud and error

7. We have no knowledge of fraud or suspected fraud affecting the entity involving management; employees who have significant roles in internal control; or others, where the fraud could have a non-trivial effect on the financial statements.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees or others.

Recognition, measurement and disclosure

9. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
10. All related party transactions have been appropriately measured and disclosed in the financial statements.
11. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
12. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
13. The Library Board has satisfactory title to (or lease interest in) all assets, and there are no liens or encumbrances on the entity's assets nor has any been pledged as collateral.

14. Employee future benefit costs, assets, and obligations have been determined, accounted for and disclosed in accordance with the requirements of Sections 3250 *Retirement Benefits* and 3255 *Post-employment Benefits, Compensated Absences and Termination Benefits* of the CICA Public Sector Accounting Handbook.
15. There have been no events subsequent to the balance sheet date up to the date hereof that would require recognition or disclosure in the financial statements. Further, there have been no events subsequent to the date of the comparative financial statements that would require adjustment of those financial statements and related notes.

Other

16. We have considered whether or not events have occurred or conditions exist which may cast significant doubt on the Board's ability to continue as a going concern and have concluded that no such events or conditions are evident.

Yours very truly,

.....
[Chief Librarian]

.....
[Director, Finance and Facilities]

Hamilton Public Library Board

Financial Statements

December 31, 2008

Contents

Hamilton Public Library Board	<u>Page</u>
Auditors Report	1
Consolidated Statement of Financial Position	2
Consolidated Statement of Financial Activities	3
Consolidated Statement of Changes in Financial Position	4
Notes to the Consolidated Financial Statements	5-10
 Hamilton Public Library Board – Trust Funds	
Auditors Report	11
Balance Sheet	12
Statement of Continuity	13
Notes to Financial Statements	14

Auditor's Report

<<NOTE: The Auditor's Report will be inserted here after approval by the Library Board>>

The Hamilton Public Library Board

Consolidated Statement of Financial Position

December 31	2008	2007
Assets		
Financial assets		
Cash	\$ 56,170	\$ 54,347
Accounts receivable	199,124	124,996
Due from City of Hamilton (Note 2)	<u>8,796,248</u>	<u>8,766,128</u>
	9,051,542	8,945,471
Non financial assets		
Prepaid expenses	<u>31,133</u>	<u>6,411</u>
	<u>\$ 9,082,675</u>	<u>\$ 8,951,882</u>
Liabilities		
Accounts payable and accrued liabilities	\$ 850,498	\$ 481,597
Deferred revenue	-	5,577
Due to trust funds	<u>419,395</u>	<u>417,164</u>
	1,269,893	904,338
Liability for future benefits (Note 3)	<u>2,090,199</u>	<u>2,125,304</u>
	<u>3,360,092</u>	<u>3,029,642</u>
Library position		
Reserves and reserve funds (Note 5)	7,812,782	8,047,544
Amounts to be recovered in future (Note 6)	<u>(2,090,199)</u>	<u>(2,125,304)</u>
	<u>5,722,583</u>	<u>5,922,240</u>
	<u>\$ 9,082,675</u>	<u>\$ 8,951,882</u>

Commitments (Note 8)

On behalf of the Board

_____ Director _____ Director

See accompanying notes to the financial statements.

The Hamilton Public Library Board

Consolidated Statement of Financial Activities

Year Ended December 31

	Budgeted (Unaudited)	Current Fund	Reserve Fund	2008 Total	2007 Total
Revenue					
Municipal contribution	\$ 25,248,372	\$ 25,248,372	\$ -	\$ 25,248,372	\$ 24,156,800
Province of Ontario grants	949,450	949,451	-	949,451	949,451
Other grant revenue	458,350	856,841	-	856,841	749,523
Fines	528,110	443,241	-	443,241	482,602
Photocopier revenue	28,570	30,999	-	30,999	34,840
Other – rentals, sales and Recoveries	85,770	324,891	-	324,891	140,951
Interest	-	-	286,391	286,391	310,280
Donations and other	-	62,443	-	62,443	38,474
Total revenue	<u>27,298,622</u>	<u>27,916,238</u>	<u>286,391</u>	<u>28,202,629</u>	<u>26,862,921</u>
Expenditures					
Employee costs	19,049,992	19,376,031	-	19,376,031	18,301,176
Library materials	3,140,720	3,328,166	-	3,328,166	2,941,956
Facility costs	3,176,040	3,134,901	-	3,134,901	3,089,368
Supplies and services	1,702,070	2,288,516	-	2,288,516	1,734,159
Total expenditures	<u>27,068,822</u>	<u>28,127,614</u>	<u>-</u>	<u>28,127,614</u>	<u>26,066,659</u>
Net revenues	<u>229,800</u>	<u>(211,376)</u>	<u>286,391</u>	<u>75,015</u>	<u>796,262</u>
Financing transfers					
Long term debt charges (Note 4)	(69,800)	(220,643)	-	(220,643)	(69,399)
Transfer from (to) reserve - City of Hamilton	-	164,853	-	164,853	(411)
Transfer to capital - City of Hamilton	-	-	(233,882)	(233,882)	(1,313,009)
Net contributions from reserve fund	-	835,223	-	835,223	117,037
Net contributions to reserve funds	(160,000)	(547,952)	-	(547,952)	(575,911)
Net contributions to current fund	-	-	(835,223)	(835,223)	(117,037)
Net contributions from current fund	-	-	547,952	547,952	575,911
Net contributions from trust funds	-	15,000	-	15,000	30,087
(Decrease) Increase in amounts to be recovered in future	-	(35,105)	-	(35,105)	76,695
Net financing and transfers	<u>(229,800)</u>	<u>211,376</u>	<u>(521,153)</u>	<u>(309,777)</u>	<u>(1,276,037)</u>
Change in funds	-	-	(234,762)	(234,762)	(479,775)
Fund balances, beginning of year	-	-	8,047,544	8,047,544	8,527,319
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,812,782</u>	<u>\$ 7,812,782</u>	<u>\$ 8,047,544</u>

See accompanying notes to the financial statements.

The Hamilton Public Library Board Consolidated Statement of Changes in Financial Position

Year Ended December 31

2008

2007

Increase (decrease) in cash

Operation activities

Change in funds	\$ (234,762)	\$ (479,775)
(Increase) decrease in accounts receivable	(74,128)	1,914
(Increase) decrease in due from City of Hamilton	(30,120)	994,555
(Increase) decrease in prepaid expenses	(24,722)	2,623
Increase (decrease) in accounts payable and accrued liabilities	368,901	(524,336)
Decrease in deferred revenue	(5,577)	(4,423)
Increase in due to trust funds	<u>2,231</u>	<u>31,205</u>
	<u>1,823</u>	<u>21,763</u>

Financing activities

(Decrease) increase in liability for future benefits	(35,105)	76,695
Decrease (increase) in amounts to be recovered in future	<u>35,105</u>	<u>(76,695)</u>
	<u>-</u>	<u>-</u>

Net increase in cash	1,823	21,763
----------------------	-------	--------

Cash and cash equivalents

Cash, beginning of year	<u>54,347</u>	<u>32,584</u>
Cash, end of year	<u>\$ 56,170</u>	<u>\$ 54,347</u>

See accompanying notes to the financial statements.

The Hamilton Public Library Board

Notes to the Consolidated Financial Statements

December 31, 2008

1. Summary of significant accounting policies

The consolidated financial statements of the Hamilton Public Library Board (the Board) are prepared by management in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

Certain comparative figures in these consolidated statements have been reclassified from statements previously presented to conform to the presentation adopted for the current year.

Significant aspects of the accounting policies adopted by the Board are as follows:

Basis of Accounting

Revenues are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable, with the exception of fines and other desk receipts which are reported on the cash basis of accounting. Expenditures are reported on the accrual basis of accounting which recognizes expenditures as they are incurred and measurable as a result of a receipt of goods or services and the creation of a legal obligation to pay.

Capital Assets

Effective January 1, 2007, the Board adopted Accounting Guideline 7 (PSG-7) of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants ("CICA") with respect to the disclosure of tangible capital assets for local governments. PSG-7 provides transitional guidance on presenting information related to tangible capital assets until Section 3150 - Tangible Capital Assets of the Public Sector Accounting Handbook comes into effect on January 1, 2009.

During 2008, the Board continued to work towards compliance with the new recommendations for accounting for tangible capital assets. The Board is working towards having a complete listing of assets and values and is expected to be completed by December 31, 2009.

The historical cost and accumulated amortization for capital assets are not recorded. Purchases of capital assets are charged directly to operations in the year in which the expenditures occur.

Fund Accounting

Funds with the consolidated financial statements consist of the operating and reserve funds. Transfers between the funds are recorded as adjustments to the appropriate fund balance.

Reserves for Future Expenditures

Certain amounts, as approved by the Board, are set aside in reserves for future operating and capital expenditures. Transfers to and from reserves are reflected as an adjustment to the respective fund.

The Hamilton Public Library Board

Notes to the Consolidated Financial Statements

December 31, 2008

1. Summary of significant accounting policies (continued)

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Budget Figures

Budgets are only established for the Current Fund.

2. Due from City of Hamilton

The balance due from the City of Hamilton is non-interest bearing and has no set terms of repayment.

3. Liability for Future Benefits

In accordance with PSAB guidelines the Board is required to report obligations for retirement benefits earned over the employment period of its employees.

Employees who have retired either under the OMERS early retirement provisions or otherwise are eligible to receive drug, extended health services and dental benefits for the lifetime of the retiree. Effective January 1, 2002 new retirees only receive benefits until age sixty-five.

The Board recognizes the post employment benefit costs as they are earned during the year. The Board's obligation under the post employment provisions of employment agreements will be funded out of current revenue.

	<u>2008</u>	<u>2007</u>
Accrued Benefit Obligation		
Vested sick leave liability	\$ 207,301	\$ 209,119
Retirement Benefits	<u>2,284,408</u>	<u>2,234,272</u>
	2,491,709	2,443,391
Net unamortized actuarial loss	<u>(401,510)</u>	<u>(318,087)</u>
Accrued Liability	<u>\$ 2,090,199</u>	<u>\$ 2,125,304</u>

The Hamilton Public Library Board

Notes to the Consolidated Financial Statements

December 31, 2008

3. Liability for Future Benefits (continued)

The continuity of employee benefits and other obligations are summarized as follows:

	<u>2008</u>	<u>2007</u>
Liability for Employee Benefits and Other Obligations balance at beginning of the year	\$ 2,125,304	\$ 2,048,609
Benefit expenditure	58,004	42,798
Interest expenditure	122,947	141,041
Amortization of actuarial loss	42,848	32,326
Benefit payments	<u>(258,904)</u>	<u>(139,470)</u>
Liability for Employee Benefits and Other Obligations balance at end of the year	<u>\$ 2,090,199</u>	<u>\$ 2,125,304</u>

Actuarial valuations are performed on post employment and retirement benefits to provide estimates of the accrued benefit obligations. These estimates are based on a number of assumptions about future events including interest rates, inflation rates, salary and wage increases, medical and dental cost increases and mortality. The assumptions are determined at the time of the actuarial valuations and are reviewed annually. Consequently, different assumptions may be used as follows:

	Discount Rate	Return on Assets	Inflation Rate	Salary Increases	Dental Increases	Life Expectancy (Years)
Vested sick leave	5%	NA	2%	3%	NA	12
Retirement Benefits – Health and Dental	5%	NA	2%	3%	3.5% (1)	12
Note (1):	Medical costs are assumed to increase at a rate of 5% in 2009, 4.5% in 2010, 4% in 2011 and 3.5% in 2012 and thereafter.					

(a) Liability for vested sick leave

Effective May 1, 1982 the Income Protection Plan was adopted and sick leave credits earned under the Sick Leave Benefit Plan were frozen. Under the Sick Leave Benefit Plan unused sick leave would accumulate and employees were entitled to cash payment upon termination of services after ten continuous years. Entitlement to cash payment continues to apply to those employees who accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination. An actuarial valuation as at December 31, 2008 estimated the accrued benefit obligation at \$207,301. Changes in valuation assumptions have resulted in a decrease in the liability to \$207,301 from the expected liability of \$208,592. The actuarial gain as at December 31, 2008 of \$1,291 is being amortized over the expected average remaining life expectancy of the members of the employee group. The estimated accrued benefit obligation at December 31, 2008 is \$207,301 (2007 - \$209,119)

The Hamilton Public Library Board

Notes to the Consolidated Financial Statements

December 31, 2008

(b) Liability for retirement benefits

The Board provides certain health, dental and life insurance benefits between the time an employee retires under the Ontario Municipal Employees Retirement System (OMERS) or the normal retirement age and up to the age of 65 years. An actuarial valuation at December 31, 2008 estimated the accrued benefit obligation at \$2,284,408. The cost of a plan amendment and changes in valuation assumptions have resulted in an increase in the liability to \$2,284,408 from the expected liability of \$1,881,607. The actuarial loss of \$402,801 is being amortized over the expected average remaining life expectancy of the plan members in various groups. The estimated accrued benefit obligation at December 31, 2008 is \$2,284,408 (2007 - \$2,234,272).

4. Long term debt

The City charges the Library principal and interest for long term debt, as well as sinking fund charges, related to Library facilities and other capital. These charges are funded by the City through its annual contributions. The debt is not disclosed on the statement of financial position as the City of Hamilton is legally responsible for repayment of the debt.

(a) The net long term debt to which these charges are related is as follows:

<u>Debenture Number</u>	<u>Purpose</u>	<u>Interest Rates</u>	<u>Maturity Date</u>	<u>2008</u>	<u>2007</u>
01-244	Westdale Branch	3.125% to 6%	2011	125,966	138,069
01-244	Barton Branch	3.125% to 6%	2011	287,832	315,488
01-162	Central Library	4.65% to 6.75%	2016	19,346	21,149
08-120	South Mtn Complex	4.728%	2023	<u>2,930,174</u>	-
				<u>\$ 3,363,318</u>	<u>\$ 474,705</u>

(b) Principal charges in each of the next five years are as follows:

2009	\$ 188,515
2010	197,974
2011	488,473
2012	168,731
2013	176,842

(c) The Board was charged \$220,643 (2007 \$69,399) for long term debt charges during the year as follows:

	<u>2008</u>	<u>2007</u>
Principal	\$ 111,387	\$ 39,475
Interest	<u>109,256</u>	<u>29,924</u>
	<u>\$ 220,643</u>	<u>\$ 69,399</u>

The Hamilton Public Library Board

Notes to the Consolidated Financial Statements

December 31, 2008

5. Reserves and reserve funds	<u>2008</u>	<u>2007</u>
Mobile equipment	\$ 280,882	\$ 643,366
Library collections	1,048,554	1,289,986
Library general development	941,787	878,384
Library major capital projects	4,767,561	4,450,616
Summer reading	327,115	332,160
Redevelopment, training & restructuring	342,284	330,609
Youth Programming	12,215	22,423
Accessibility, Health & Safety	<u>204,414</u>	<u>100,000</u>
	<u>\$ 7,924,812</u>	<u>\$ 8,527,319</u>

6. Amounts to be recovered in future	<u>2008</u>	<u>2007</u>
Employee benefit obligations (see note 3)	<u>\$ 2,125,304</u>	<u>\$ 2,125,304</u>

7. Pension agreements

The Hamilton Public Library makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of 280 members of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The latest actuarial valuation as at December 31, 2003 indicated that current member and employer contributions were sufficient to fund future benefits. Contributions were made in the 2008 calendar year at rates ranging from 6.5% to 9.6% depending on the level of earnings. As a result, \$915,104 was contributed to OMERS (2007 - \$919,527) for current service.

8. Commitments

Minimum future lease payments for various premises and equipment are as follows:

2009	\$ 910,560
2010	695,946
2011	490,643
2012	330,480
2013	<u>326,400</u>
	<u>\$ 2,754,029</u>

The Hamilton Public Library Board Notes to the Consolidated Financial Statements

December 31, 2008

9. Trust funds

Trust funds administered by the Board amounting to \$2,489,619 (2007 - \$2,725,919) have not been included in the Consolidated Statement of Financial Position nor have these operations been included in the Consolidated Statement of Financial Activities.

Auditor's Report

<<NOTE: The Auditor's Report will be inserted here after approval by the Library Board.>>

**The Hamilton Public Library Board
Trust Funds
Balance Sheet**

December 31

2008

2007

Assets

Cash	\$ 292,767	\$ 283,624
Deposits with the Hamilton Community Foundation	1,253,958	1,253,958
Due from current fund	419,395	417,164
Accrued interest receivable	<u>523,499</u>	<u>771,173</u>
	\$ <u>2,489,619</u>	\$ <u>2,725,919</u>

Fund Balances

Trust Funds – fund balances	\$ <u>2,489,619</u>	\$ <u>2,725,919</u>
-----------------------------	----------------------------	----------------------------

On behalf of the Board

Director_____
Director

See accompanying notes to the financial statements.

**The Hamilton Public Library Board
Trust Funds
Statement of Continuity**

December 31	2008	2007
Revenue		
Donations and other	\$ <u>2,500</u>	\$ <u>16,154</u>
Expenditures		
Other	<u>223,800</u>	<u>31,904</u>
	\$ <u>(221,300)</u>	\$ <u>(15,750)</u>
Financing and transfers		
Net transfers to Library current fund	<u>(15,000)</u>	<u>(30,087)</u>
Change in fund balances	(236,300)	(45,837)
Fund balances, beginning of year	<u>2,725,919</u>	<u>2,771,756</u>
Fund balances, end of year	<u>\$ 2,489,619</u>	<u>\$ 2,725,919</u>

See accompanying notes to the financial statements.

The Hamilton Public Library Board

Trust Funds

Notes to the Financial Statements

December 31, 2008

1. Accounting policies

Basis of accounting

Income and capital receipts are reported on the cash basis.

Expenditures are reported on the cash basis of accounting with the exception of administrative expenses, which are reported on the accrual basis of accounting, which recognizes expenditures, as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

2. Fund balances	<u>2008</u>	<u>2007</u>
Trust funds consist of:		
M. Walden Thompson	\$ 19,229	\$ 33,155
Special Gifts Fund	1,748,943	1,910,318
Permanent Endowment	529,819	592,610
K. McClaren Memorial	24,232	27,978
F. Walden	60,571	58,677
Dundas Library Fundraising	68,844	66,496
Waterdown Library	<u>37,981</u>	<u>36,685</u>
	<u>\$ 2,489,619</u>	<u>\$ 2,725,919</u>

The above funds can be used at the discretion of the Board with the exception of the Permanent Endowment fund from which only the interest earned can be used.