

## Mission Statement

*Freedom to Discover*

## Strategic Priorities

*Strengthening Communities    Strengthening Individuals    -Strengthening Our Organization*

## HAMILTON PUBLIC LIBRARY BOARD

**Regular Board Meeting**  
**Wednesday, June 18, 2008**  
**Central Library, Board Room**

5:00 p.m. Meeting  
7:00 p.m. Dinner  
Hamilton Club – Chairman's Dinner

### AGENDA

1. **Discussion Period**
2. **Acceptance of the Agenda**
3. **Minutes**
  - 3.1 Minutes of the Hamilton Public Library Board Meeting of Wednesday, May 14, 2008 Attachment #3.1
  - 3.2 Minutes of the Special Meeting of the Hamilton Public Library Board of Wednesday, June 4, 2008 Attachment #3.2
  - 3.3 Report of the Nomination Committee and Election of Vice-Chairman
4. **Presentations**
5. **Consent Items**
  - 5.1 Chief Librarian's Report Attachment #5.1  
**Suggested Action: Receive**
6. **Business Arising**
  - 6.1 North Hamilton Community Health Centre Attachment #6.1  
**Suggested Action: Recommendation**
  - 6.2 Central Library Update Oral Report  
**Suggested Action: Recommendation**

7. **Correspondence**

8. **Reports**

8.1 Report from the Audit Committee

Attachment #8.1

**Suggested Action: Recommendation**

9. **New Business**

9.1 Sherwood Lease

Attachment #9.1

**Suggested Action: Recommendation**

9.2 Purchase of Bookmobile

Attachment #9.2

**Suggested Action: Recommendation**

9.3 Executive Committee

Attachment #9.3

**Suggested Action: Receive**

10. **Private and Confidential**

11. **Date of Next Meeting**

Wednesday, September 17, 2008

**Central Library, Board Room, 5<sup>th</sup> Floor**

5:00 p.m. Dinner

6:00 p.m. Meeting

12. **Adjournment**

**HAMILTON PUBLIC LIBRARY**  
**LIBRARY BOARD**

**UPCOMING/OUTSTANDING ISSUES**

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

**HAMILTON PUBLIC LIBRARY BOARD  
Regular Meeting**

**Wednesday, May 14, 2008  
Central Library, Board Room  
5:30 p.m. Dinner  
6:00 p.m. Meeting**

**MINUTES**

- PRESENT:** George Geczy, Jennifer Gautrey, Suzan Fawcett, Mary Ann Leach, Councillor Jackson, Doreen Horbach, Santina Moccio, Krzysztof Gumieniak
- REGRETS:** Maureen McKeating, Councillor Pearson, George Nakamura
- STAFF:** Ken Roberts, Maureen Sawa, Beth Hovius, Helen Benoit, Kit Darling, William Guise, Karen Hartog
- GUESTS:** Kim Rynn and Beth Bader, North Hamilton Community Health Centre

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

**1. DISCUSSION PERIOD**

- 1.1 A special meeting of the Library Board will be held on Wednesday, June 4, 2008 to discuss the Central Library and North Hamilton Community Health Centre projects.

**2. ACCEPTANCE OF THE AGENDA**

- Add: 9.2 Carlisle Meeting  
9.3 Board Chair position

**MOVED** by Ms Moccio, seconded by Ms Leach,

**THAT THE AGENDA BE APPROVED AS AMENDED.**

**MOTION CARRIED.**

**3. MINUTES OF THE HAMILTON PUBLIC LIBRARY BOARD MEETING OF WEDNESDAY, APRIL 16, 2008**

Item 10 motion should read "that the Hamilton Public Library move in-camera to discuss personnel issues".

**MOVED** by Mr. Gumieniak, seconded by Ms Moccio,

**THAT THE HAMILTON PUBLIC LIBRARY BOARD MINUTES OF WEDNESDAY, APRIL 16, 2008 BE ADOPTED AS AMENDED.**

**MOTION CARRIED.**

4. **PRESENTATIONS**

No presentations.

5. **CONSENT ITEMS**

No consent items

6. **BUSINESS ARISING**

6.1 Strategic Plan

Receive for information.

Library board members made editorial changes including the following:

Strengthening communities – last sentence – should read “...members to interact with the library, enabling...”

Strengthening Our Organization – last sentence – remove “as knowledge workers.”

Last page under “Records Management” – first sentence – should read “...records management policies and procedures as an important...”

6.2 Facilities Updates

**MOVED** by Ms Moccio, seconded by Ms Leach,

**THAT THE LIBRARY BOARD HOLD A RETREAT ON SEPTEMBER 3, 2008 TO DETERMINE THE PRIORITIES FOR ITS 2009 CAPITAL BUDGET SUBMISSION TO THE CITY OF HAMILTON.**

**MOTION CARRIED.**

**MOVED** by Ms Leach, seconded by Ms Gautrey,

**THAT THE LIBRARY BOARD SET ASIDE \$650,000 FROM ITS RESERVES IN THE EVENT THAT IT CHOOSES TO SUBMIT A CAPITAL PROJECT FOR THE CONSTRUCTION OF A LYNDEN BRANCH OF THE HAMILTON PUBLIC LIBRARY.**

**MOTION CARRIED.**

**MOVED** by Ms Moccio, seconded by Ms Horbach,

**THAT THE LIBRARY BOARD COMMIT \$1,300,000 FROM ITS RESERVES FOR THE CENTRAL LIBRARY RENOVATION ON THE UNDERSTANDING THAT ANY ADDITIONAL FUNDING THAT MIGHT**

**BE NECESSARY FOR THIS PROJECT COME FROM THE CITY OF HAMILTON.**

**MOTION CARRIED.**

**MOVED** by Ms Leach, seconded by Ms Moccio,

**THAT THE RECOMMENDATION PRESENTED BY STAFF BE TABLED UNTIL THE JUNE 4, 2008 MEETING AND THAT STAFF CONTINUE TO WORK WITH THE NORTH HAMILTON COMMUNITY HEALTH CENTRE AND PRESENT COST OPTIONS AND BENEFITS TO CONTINUE THE PARTNERSHIP. THE LIBRARY BOARD REQUESTED STAFF TO OUTLINE ALTERNATIVE SERVICE OPTIONS FOR THE NORTH END COMMUNITY.**

**MOTION CARRIED.**

6.3 2008 Operating Budget

Received for information.

6.4 Facilities Report – 2007 Statistics

Received for information.

**7. CORRESPONDENCE**

No correspondence.

**8. REPORTS**

8.1 Chief Librarian's Report

Staff were directed to set-up a meeting with Councillor McCarthy, Mr. Geczy, Councillor Pearson, Councillor Jackson and Mr. Roberts to discuss the new Waterdown location.

Received for information.

**9. NEW BUSINESS**

9.1 Brisbin Family Request

**MOVED** by Ms Moccio, seconded by Ms Leach,

**THAT THE LIBRARY BOARD APPROVE THE BRISBIN FAMILY REQUEST TO HANG A PLAQUE IN THE CENTRAL LIBRARY TO HONOUR CHARLES BRISBIN, CHIEF LIBRARIAN (1963 TO 1978).**

**MOTION CARRIED.**

9.2 Carlisle Meeting

**MOVED** by Mr. Geczy, seconded by Ms Moccio,

**THAT THE LIBRARY CONTINUE TO OPERATE AND MAINTAIN THE CARLISLE BRANCH FOR AS LONG AS PRACTICAL, AS DETERMINED BY THE BOARD, AND**

**THAT ONCE THE NEW WATERDOWN BRANCH IS COMPLETED, THE LIBRARY INVESTIGATE OPTIONS FOR FUTURE LIBRARY SERVICE IN THE AREA.**

**MOTION CARRIED.**

9.3 Board Chair Position

Mr. Geczy will be stepping down as Chairperson of the Library Board. Ms Gautrey will assume the Chair position. There was a call for nominations for the Vice-Chair position. The nominating committee will hold a meeting prior to the June 18<sup>th</sup> meeting to present to the Library Board their recommendation for the Vice-Chair position.

10. **PRIVATE AND CONFIDENTIAL**

**MOVED** by Ms Moccio, seconded by Ms Gautrey,

**THAT THE HAMILTON PUBLIC LIBRARY MOVE IN-CAMERA TO DISUCSS CONTRACTUAL ISSUES.**

**MOTION CARRIED.**

**MOVED** by Ms Moccio, seconded by Ms Horbach,

**THAT THE IN-CAMERA SESSION BE ADJOURNED.**

**MOTION CARRIED.**

11. **DATE OF NEXT MEETING**

Wednesday, June 4, 2008

**Special Meeting, Central Library, Board Room, 5<sup>th</sup> Floor**

5:30 p.m. Dinner

6:00 p.m. Meeting

12. **ADJOURNMENT**

**MOVED** by Ms Fawcett, seconded by Ms Leach,

**THAT THE HAMILTON PUBLIC LIBRARY BOARD MEETING OF WEDNESDAY, MAY 14, 2008 BE ADJOURNED.**

**MOTION CARRIED.**

The meeting was adjourned at 8:00 p.m.

Minutes recorded by Karen Hartog.



**HAMILTON PUBLIC LIBRARY BOARD  
Special Meeting**

**Wednesday, June 4, 2008  
Central Library, Board Room  
5:30 p.m. Dinner  
6:00 p.m. Meeting**

**MINUTES**

- PRESENT:** George Geczy, Jennifer Gautrey, Suzan Fawcett, Mary Ann Leach, Councillor Jackson, Doreen Horbach, Santina Moccio, Krzysztof Gumieniak, George Nakamura, Maureen McKeating
- REGRETS:** Councillor Pearson
- STAFF:** Ken Roberts, Maureen Sawa, Beth Hovius, Helen Benoit, Kit Darling, William Guise, Karen Hartog
- GUESTS:** Kim Rynn and Beth Bader, North Hamilton Community Health Centre  
David Premi and Bob Goyeche, David Premi Architect Inc.  
Mark Strba and Janet Warner

Mr. Geczy called the meeting to order at 6:05 p.m.

**1. Central Library**

David Premi and Bob Goyeche provided a project update including updated costs. It was reported that there is a shortfall of 2.5 million dollars.

**MOVED** by Ms Gautrey, seconded by Ms Horbach,

**THAT THE CONCEPTUAL DESIGN FOR THE RENOVATIONS TO THE 1<sup>ST</sup> FLOOR OF CENTRAL LIBRARY PRESENTED BY DAVID PREMI, ARCHITECT BE APPROVED;**

**THAT THE PROJECT BUDGET FOR THE CENTRAL LIBRARY 1<sup>ST</sup> FLOOR RENOVATIONS BE APPROVED AT \$7,230,000, AND**

**THAT THE COMMITMENT TO PROVIDE FUNDING OF \$1,500,000 FROM LIBRARY RESERVES TOWARDS THE CENTRAL LIBRARY 1<sup>ST</sup> FLOOR RENOVATIONS SUBJECT TO THE CITY OF HAMILTON PROVIDING THE ADDITIONAL REQUIRED FUNDING BE CONFIRMED ; AND**

**THAT A REQUEST BE MADE TO THE HAMILTON FUTURE FUND AND/OR THE CITY OF HAMILTON REQUESTING ADDITIONAL FUNDING OF \$1,000,000 REQUIRED FOR THE RENOVATIONS TO THE 1<sup>ST</sup> FLOOR OF CENTRAL LIBRARY.**

**MOTION CARRIED.**

**2. North Hamilton Community Health Centre**

Ms Rynn and Ms Beader reviewed the three financial options with the Library Board.

**MOVED** by Councillor Jackson, seconded by Mr. Gumieniak,

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

**MOTION CARRIED.**

**MOVED** by Ms Moccio, seconded by Ms Horbach

**THAT THE IN-CAMERA SESSION BE ADJOURNED.**

**MOTION CARRIED.**

**MOVED** by Ms Moccio, seconded by Mr. Gumieniak,

**THAT THE SPECIAL MEETING OF THE LIBRARY BOARD BE ADJOURNED.**

**MOTION CARRIED.**

Minutes recorded by Karen Hartog.

## **Chief Librarian's Report June, 2008**

### **Staff Day**

We held our first full staff day, with all locations closing, on Thursday, June 5<sup>th</sup>. At least ten staff members came up to me during the day and started their conversations with some version of "I wasn't looking forward to . . ." and ended it with ". . . what a great day."

It was a far better format than the one we had been using. The closure of the building allowed for more interactive workshops and more choices. During the last few days I have heard from many staff members, always with high praise for the event.

### **Bibliocommons**

While staff have seen and heard about Bibliocommons before, they were able to see it interact with HPL collection records beginning on staff day. Staff will be starting to create their own user records and to use the software in preparation for a launch later this year.

The introduction of Bibliocommons has the potential for creating a dramatic change in the way that people use their library and the types of personalized services they will come to expect.

### **myhamilton.ca**

The library's current website and web services are linked to the myhamilton.ca software and hardware, which is owned by the City of Hamilton and was purchased with a grant from the Province of Ontario. The servers are now more than three years old. It is our plan to migrate to another platform. The City of Hamilton has not yet decided what it will do but it is clear that they do not wish to host the community portal, at least in the same manner.

We are investigating the willingness of community partners to have the library as the lead partner for a new rendition of the community portal and are planning for a new site that will include the library and community partners. We have been meeting with key community partners and holding focus groups with representatives from targeted audiences to help in our planning.

### **ULC Audio Conference**

As you know, I was a panellist for an Urban Libraries Council audio conference on Future Planning and Scenario Building. 81 library systems (including Hamilton and Ottawa in Canada) participated, with an attendance of just over 500 people in total. I did receive the evaluation sheets and the session was well received.

### **Mesopotamia Civilizations Day**

On Saturday, May 31, 400 adults and children attended special family activities planned by the Iraqi Canadian Association of Hamilton in partnership with SISO and Hamilton Public Library. The day included special readings of the book *Gilgamesh the King*, ancient BINGO, a fashion show with youth modelling clothes worn by ancient kings and queens, guest dignitaries, book displays, treats from ancient times and more.

**The San Jose Way**

The San Jose Public Library in California has a well deserved reputation as an excellent library system. The Kingston-Frontenac Public Library and the Hamilton Public Library partnered to bring one of their senior managers, Ruth Barefoot, to our communities so that she could meet with staff and allow us to review their processes and documentation. Ruth spent two-and-a-half days with our staff and provided us with a mountain of valuable information. It was an extremely valuable experience. In many instances, she provided us with validation that we are on the right track (particularly with plans for Central) and in other instances she did provide good rationale and information for changes we could make.

**Strategic Planning**

We have not had time to complete the objectives for the draft strategic plan and will have that for the September meeting. In the meantime, we are operating on the assumption that the draft objectives are acceptable to the Board.



# Hamilton Public Library

**Date:** June 11, 2008  
**To:** Chair and Board Members  
**From:** Ken Roberts, Chief Librarian  
**Subject:** North Hamilton Community Health Centre Proposal

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## **RECOMMENDATION:**

That the Library Board no longer consider the option of sharing space with the North Hamilton Community Health Centre in its new facility, and

That the Hamilton Public Library Board continue to operate the current Picton Branch until such time as alternative service delivery can be arranged; and

That the Library Board commits to use any saved funding to improve service in the north and east ends of the city in order to provide improved services to those residents of the city most affected by poverty.

## **FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

We do not have an agreement with the North Hamilton Community Health Centre. Previous Board motions had directed us to see if an agreement could be reached. Still, architectural fees directly connected with providing for space that the library might use, if an agreement could be reached, were incurred. The Library Board should pay any reasonable and fair architectural fees related to the preliminary design of this space.

## **BACKGROUND:**

The North Hamilton Community Health Centre Board approached the Hamilton Public Library Board with a proposal for a 20 year lease of approximately 1000 square feet in return for a total estimated investment of \$200,000, including all furnishings and related work. The Library Board authorized administration to see if an agreement could be reached and expressed support for the concept since it allowed for lower operating costs of a north end branch and, potentially, allowed for longer hours and access to a different clientele.

Several months later the cost estimates were revised to \$300,000 for the 20 year period of time. The Library Board still expressed support for the concept.

We learned this last April that the costs have now escalated significantly. The North Hamilton Community Health Centre Board presented two potential solutions at a June 4<sup>th</sup> special Board meeting. The North Hamilton Community Health also invited the Library Board to submit a counter-proposal. A deadline date of June 20<sup>th</sup> was given.

Staff have not been directed to prepare a counter-proposal.

Library Board members have expressed a commitment to improve services in the north and eastern areas of the city and have expressed a desire to see limited funds make the biggest impact on literacy issues related to poverty. There are a number of neighbors in this area of the city that currently receive very limited library service.

Staff recommend that the available funds be used to purchase a second bookmobile, one that is accessible and is capable of improving library service.

In terms of performance, the current Picton Branch does about 22,000 circulations a year while a well-used bookmobile can generate almost 10 times as much use with a smaller operating cost. The difference in cost would allow for more outreach programming in order to bring people into libraries and to encourage use. We also hope to partner with community organizations for more wifi access and after-school homework assistance.

In comparison, moving to the NHCHC within the terms that are offered mean that we could only offer limited hours in a fixed location, with no outreach. It means that residents of other areas in the city where there is a need for library service continue to receive nothing within their neighborhoods.

**HAMILTON PUBLIC LIBRARY BOARD  
Audit Committee Meeting**

**Wednesday, June 4, 2008  
Central Library, Board Committee Room  
4:45 p.m. Meeting**

**MINUTES**

**PRESENT:** George Geczy, Jennifer Gautrey, Mary Ann Leach, George Nakamura

**STAFF:** William Guise

**GUESTS:** Thane MacKenzie, Partner, Grant Thornton

**1. Audit Concluding Memorandum for Fiscal 2007**

Received for information.

**2. 2007 Financial Statements Report**

**MOVED** by Ms Leach, seconded by Mr. Nakamura

**THAT THE 2007 AUDITED FINANCIAL STATEMENTS FOR THE HAMILTON  
PUBLIC LIBRARY BOARD AND AUDITED STATEMENTS FOR THE  
HAMILTON PUBLIC LIBRARY BOARD – TRUST FUNDS ATTACHED TO  
THIS REPORT BE APPROVED.**

**MOTION CARRIED.**

**3. Adjournment**

The meeting was adjourned at 5:15 p.m.

Minutes recorded by Jennifer Gautrey.



Grant Thornton

Attachment #8.1

Report to the Audit Committee -  
Communication of Audit Results  
Hamilton Public Library Board

For the year ended December 31, 2007





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May 9, 2008

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 Hamilton Public Library Board for the year ended December 31, 2007. We have attached our draft

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 "Standard on Assurance Engagements: Assurance of Financial Statements Issued in Accordance with the Assurance Possibility for the Financial Reporting Process".

That standard recommends we communicate with the Board 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 staff of Hamilton Public Library Board during the course of our audit.

If you have any particular comments or concerns, please do not hesitate to contact us.

Yours very truly,  
GRANT THORNTON LLP

*Grant Thornton LLP*

Thane MacKenzie, CA  
Partner

cc: William Guise

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## Status of the audit

We have substantially completed our audit of the financial statements of Hamilton Public Library Board for the year ended December 31, 2007 and the results of that audit are included in this report.

following items need to be addressed/completed before that report is signed:

- Receipt of signed management representation letter (draft has been attached as Appendix B); and
- Approval of the financial statements by the Audit Committee.

## Audit results and Reportable matters

### **Audit results**

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.

### **Cooperation during the audit**

We report that we received full cooperation from the employees of 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 staff 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, presented as Appendix C of this report which confirms our independence with respect to Hamilton Public Library Board.

## **Technical updates**

### **Accounting standards**

Recent changes in accounting standards were included in our planning memorandum for the February 12, 2008 meeting of the Audit Committee.

## Appendix A – Draft auditors' report

**DRAFT**

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 Hamilton Public Library Board as at December 31, 2007 and the consolidated statement of financial activities and changes in financial position for the year then ended. These financial statements are the 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, 2007 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  
May 9, 2008

Grant Thornton LLP  
Chartered Accountants  
Licensed Public Accountants

## Appendix B – Draft Management Representation Letter

May 9, 2008

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, 2007 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, results of operations, and cash flows 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 May 9, 2008, 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, 2007 and the results of operations and cash flows 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 shareholders, directors, and committees 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 sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements guarantees, 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, analysts, regulators 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 Company'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]

## Appendix C – Letter of Independence

May 9, 2008

The Audit Committee of  
The Hamilton Public Library Board

Dear Members of the Audit Committee:

We have been engaged to audit the financial statements of Hamilton Public Library Board for the year ending December 31, 2007.

Canadian generally accepted auditing standards (GAAS) require that we communicate at least annually with you regarding all relationships between the organization and Grant Thornton LLP that, in our professional judgement, may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider relevant rules and related interpretations prescribed by the appropriate provincial institute and applicable legislation, covering such matters as:

- (a) holding a financial interest, either directly or indirectly, in a client;
- (b) holding a position, either directly or indirectly, that give the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- (c) personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) economic dependence on a client; and
- (e) provision of services in addition to the audit engagement.

We are not aware of any relationships between the organization and ourselves that in our professional judgement may reasonably be thought to bear on our independence that, have occurred from April 11, 2007, the date of our last letter, to May 9, 2008.

GAAS requires that we confirm our independence to the Audit Committee. However, since the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario deal with the concept of independence in terms of objectivity, our confirmation is to be made in that context.

Accordingly, we hereby confirm that we are objective with respect to the organization within the meaning of the rules of professional conduct of the Institute of Chartered Accountants of Ontario as of May 9, 2008.

This report is intended solely for the use of the Audit Committee, management and others within the organization and should not be used for any other purposes.

We look forward to discussing with you the matters addressed in this letter as well as other matters that may be of interest to you.

Yours very truly,

GRANT THORNTON LLP

*Grant Thornton LLP*

Thane MacKenzie, CA  
Partner



# Hamilton Public Library

**Date:** May 29<sup>th</sup> 2008

**To:** Chair and Members of the Audit Committee

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

c.c. Ken Roberts, Chief Librarian

**Subject:** 2007 Financial Report

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## **RECOMMENDATION:**

That the 2007 Audited Financial Statements for the Hamilton Public Library Board and Audited 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 2007 financial position of the Library as at December 31, 2007 and the financial activities for the year ended December 31, 2007.

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 Thane MacKenzie, Partner at Grant Thornton, will be presenting their Audit Concluding Memorandum to the Audit Committee.

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, 2007 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles free of any qualifications.

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 May 29<sup>th</sup> 2008

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.

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 2007 Audited 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, 2007 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 2007.

### Operations

The operational surplus for 2007 representing approximately 0.6% of total budget is \$174,208 as compared to the 2006 operational surplus of \$140,323.

### Reserve Funds

The Reserve Fund balances have decreased \$479,774.68 from the December 31<sup>st</sup> 2006 balance of \$8,527,319.00 to \$8,047,544.32.

Interest on Received on Reserve Funds	\$ 310,279.73
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Contributions from Operating Fund	
Operating Surplus for 2006	\$174,207.82
Funding for Mobile Equipment	30,000.00
Funding for Repairs to Grounds	9,000.00
Funding for Accessibility & Renewal Reserve	100,000.00
Donations	6,137.01
Unexpended Library Material Budget	31,594.15
Lost Book Charges	32,996.88
Printer Revenue	23,451.22
Proceeds from sale of former CIBC building	287,071.00

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May 29<sup>th</sup> 2008

Net Increase in Summer Reading Reserve	<u>51,486.93</u>	745,945.01
Expenditures		
Vehicle Purchases	(\$ 47,991.32)	
Renovations to 5 <sup>th</sup> Floor Central	( 722,046.50)	
RFID	<u>( 765,961.60)</u>	<u>(\$1,535,999.42)</u>
Decrease in Reserve Funds for 2007		<u>(\$ 479,774.68)</u>

### Trust Funds

The Trust Account balances have decreased by \$45,837.24 from the December 31<sup>st</sup> 2006 balance of \$2,771,756.51 to \$2,725,919.27.

The change in Trust Account balances arose from

Donations received		\$ 16,154.21
Interest on funds held by City		26,790.54
Hamilton Community Foundation		
Realized investment income	\$ 136,727.00	
Unrealized investment losses	(164,086.00)	
Management Fees	<u>(31,336.00)</u>	( 58,695.00)
Funding of Programs approved by Board		<u>( 30,086.99)</u>
Decrease in Trust Accounts Balance		<u>(\$ 45,837.24)</u>

**Hamilton Public Library Board**

**Financial Statements**

**December 31, 2007**

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## Auditor's Report

<<NOTE: The Auditor's Report will be inserted after the Financial Report is approved by the Audit Committee.>>

## The Hamilton Public Library Board

### Consolidated Statement of Financial Position

December 31	2007	2006
<b>Assets</b>		
Financial assets		
Cash	\$ 54,347	\$ 32,584
Accounts receivable	124,996	126,910
Due from City of Hamilton (Note 2)	<u>8,766,128</u>	<u>9,760,683</u>
	8,945,471	9,920,177
Non financial assets		
Prepaid expenses	<u>6,411</u>	<u>9,034</u>
	<u>\$ 8,951,882</u>	<u>\$ 9,929,211</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 481,597	\$ 1,005,933
Deferred revenue	5,577	10,000
Due to trust funds	<u>417,164</u>	<u>385,959</u>
	904,338	1,401,892
Liability for future benefits (Note 3)	<u>2,125,304</u>	<u>2,048,609</u>
	<u>3,029,642</u>	<u>3,450,501</u>
<b>Library position</b>		
Reserves and reserve funds (Note 5)	8,047,544	8,527,319
Amounts to be recovered in future (Note 6)	<u>(2,125,304)</u>	<u>(2,048,609)</u>
	<u>5,922,240</u>	<u>6,478,710</u>
	<u>\$ 8,951,882</u>	<u>\$ 9,929,211</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	2007 Total	2006 Total
<b>Revenue</b>					
Municipal contribution	\$ 24,156,800	\$ 24,156,800	\$ -	\$ 24,156,800	\$ 23,508,480
Province of Ontario grants	949,450	949,451	-	949,451	949,451
Other grant revenue	458,350	749,523	-	749,523	698,821
Fines	553,700	482,602	-	482,602	567,425
Photocopier revenue	48,500	34,840	-	34,840	31,755
Other – rentals, sales and Recoveries	91,050	140,951	-	140,951	143,850
Interest	-	-	310,280	310,280	378,110
Donations and other	-	38,474	-	38,474	15,691
Total revenue	<u>26,257,850</u>	<u>26,552,641</u>	<u>310,280</u>	<u>26,862,921</u>	<u>26,293,583</u>
<b>Expenditures</b>					
Employee costs	18,255,820	18,301,176	-	18,301,176	17,783,206
Library materials	2,940,720	2,941,956	-	2,941,956	2,737,703
Facility costs	3,109,050	3,089,368	-	3,089,368	3,225,489
Supplies and services	1,731,450	1,734,159	-	1,734,159	1,822,147
Total expenditures	<u>26,037,040</u>	<u>26,066,659</u>	<u>-</u>	<u>26,066,659</u>	<u>25,568,545</u>
Net revenues	<u>220,810</u>	<u>485,982</u>	<u>310,280</u>	<u>796,262</u>	<u>725,038</u>
<b>Financing transfers</b>					
Long term debt charges (Note 4)	(69,810)	(69,399)	-	(69,399)	(130,196)
Transfer to capital - City of Hamilton	-	(64,080)	(1,536,000)	(1,600,080)	-
Transfer from capital - City of Hamilton	-	-	287,071	287,071	-
Transfer to reserve - City of Hamilton	-	(411)	-	(411)	(76,304)
Net contributions from reserve fund	-	117,037	-	117,037	119,521
Net contributions to reserve funds	(151,000)	(575,911)	-	(575,911)	(378,407)
Net contributions to current fund	-	-	(117,037)	(117,037)	(119,521)
Net contributions from current fund	-	-	575,911	575,911	378,407
Net contributions from trust funds	-	30,087	-	30,087	48,617
Increase in amounts to be recovered in future	-	76,695	-	76,695	81,042
Net financing and transfers	<u>(220,810)</u>	<u>(485,982)</u>	<u>(790,055)</u>	<u>(1,276,037)</u>	<u>(76,841)</u>
<b>Change in funds</b>					
Fund balances, beginning of year	-	-	(479,775)	(479,775)	648,197
	<u>-</u>	<u>-</u>	<u>8,527,319</u>	<u>8,527,319</u>	<u>7,879,122</u>
Fund balances, end of year	\$ -	\$ -	\$ 8,047,544	\$ 8,047,544	\$ 8,527,319

See accompanying notes to the financial statements.

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## The Hamilton Public Library Board

### Consolidated Statement of Changes in Financial Position

Year Ended December 31

2007

2006

Increase (decrease) in cash

<b>Operation activities</b>		
Change in funds	\$ (479,775)	\$ 648,197
Decrease in accounts receivable	1,914	5,762
Increase (decrease) in due from City of Hamilton	994,555	(1,528,031)
Decrease in prepaid expenses	2,623	1,166
(Decrease) Increase in accounts payable and accrued liabilities	(524,336)	544,955
Decrease in deferred revenue	(4,423)	(5,639)
Increase in due to trust funds	<u>31,205</u>	<u>329,941</u>
	<u>21,763</u>	<u>(3,649)</u>
<b>Financing activities</b>		
Increase in liability for future benefits	76,695	81,042
Increase in amounts to be recovered in future	<u>(76,695)</u>	<u>(81,042)</u>
	<u>-</u>	<u>-</u>
Net increase (decrease) in cash	21,763	(3,649)
Cash and cash equivalents		
Cash, beginning of year	<u>32,584</u>	<u>36,233</u>
Cash, end of year	<u>\$ 54,347</u>	<u>\$ 32,584</u>

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See accompanying notes to the financial statements.

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# The Hamilton Public Library Board

## Notes to the Consolidated Financial Statements

December 31, 2007

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### 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 2007, 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, 2008.

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, 2007

### 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>2007</u>	<u>2006</u>
<b>Accrued Benefit Obligation</b>		
Vested sick leave liability	\$ 209,119	\$ 192,232
Retirement Benefits	<u>2,234,272</u>	<u>2,206,790</u>
	2,443,391	2,399,022
Net unamortized actuarial loss	<u>(318,087)</u>	<u>(350,413)</u>
<b>Accrued Liability</b>	<u>\$ 2,125,304</u>	<u>\$ 2,048,609</u>

## The Hamilton Public Library Board

### Notes to the Consolidated Financial Statements

December 31, 2007

#### 3. Liability for Future Benefits (continued)

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

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

#### (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, 2004 estimated the accrued benefit obligation at \$162,340. The assumptions used to calculate the accrued benefit obligation include a discount rate of 6%, an inflation rate of 3.0% and future salary and wage increases of 4%. Changes in valuation assumptions resulted in a decrease in the liability to \$162,340 from the expected liability of \$252,270 as at December 31, 2004. The actuarial gain of \$89,930 is being amortized over thirteen years representing the expected average remaining service life expectancy of the members of the employee groups. The estimated accrued benefit obligation at December 31, 2007 is \$209,119 (2006 - \$192,232)

#### (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, 2004 estimated the accrued benefit obligation at \$2,135,994. The accrued benefit obligation was determined using a discount rate of 6.0% and inflation rate of 3%. Medical costs were assumed to increase at a rate of 7.5% in 2005 and reduce by 0.5% per year to 4.5% in 2011 and thereafter. Dental costs were assumed to increase at 4.5% per year. Changes in valuation assumptions have resulted in an increase in the liability to \$2,135,994 from the expected liability of \$1,631,000 as at December 31, 2004. The actuarial loss of \$504,994 is being amortized over 13 years representing the average remaining service life expectancy of the plan members in various groups. The estimated accrued benefit obligation at December 31, 2007 is \$2,234,272 (2006 - \$2,206,790).

## The Hamilton Public Library Board

### Notes to the Consolidated Financial Statements

December 31, 2007

#### 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>2007</u>	<u>2006</u>
01-244	Westdale Branch	3.125% to 6%	2011	138,069	149,570
01-244	Barton Branch	3.125% to 6%	2011	315,488	341,769
01-162	Central Library	4.65% to 6.75%	2016	21,149	22,841
				<u>\$ 474,705</u>	<u>\$ 514,180</u>

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

2008	\$ 41,560
2009	43,871
2010	46,410
2011	329,659
2012	2,319

(c) The Board was charged \$69,399 (2006 \$130,196) for long term debt charges during the year as follows:

	<u>2007</u>	<u>2006</u>
Principal	\$ 39,475	\$ 54,080
Interest	29,924	76,116
	<u>\$ 69,399</u>	<u>\$ 130,196</u>

#### 5. Reserves and reserve funds

	<u>2007</u>	<u>2006</u>
Mobile equipment	\$ 643,366	\$ 637,558
Library collections	1,289,986	1,499,062
Library general development	878,384	816,041
Library major capital projects	4,450,616	4,265,745
Summer reading	332,160	270,976
Redevelopment, training & restructuring	330,609	1,016,288
Youth Programming	22,423	21,649
Accessibility, Health & Safety	100,000	-
	<u>\$ 8,047,544</u>	<u>\$ 8,527,319</u>



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## The Hamilton Public Library Board

### Notes to the Consolidated Financial Statements

December 31, 2007

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6. Amounts to be recovered in future	<u>2007</u>	<u>2006</u>
Employee benefit obligations (see note 3)	<u>\$ 2,125,304</u>	<u>\$ 2,048,609</u>

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#### 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 2007 calendar year at rates ranging from 6.5% to 9.6% depending on the level of earnings. As a result, \$919,527 was contributed to OMERS (2006 - \$834,851) for current service.

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#### 8. Commitments

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

2008	\$ 783,555
2009	673,204
2010	483,488
2011	27,652
2012	-
	<u>\$ 1,967,899</u>

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#### 9. Trust funds

Trust funds administered by the Board amounting to \$2,725,919 (2006 - \$2,771,756) 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 after the Financial Report is approved by the Audit Committee.>>

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

December 31

2007

2006

**Assets**

Cash	\$ 283,624	\$ 301,564
Deposits with the Hamilton Community Foundation	1,253,958	1,211,213
Due from current fund	417,164	385,959
Accrued interest receivable	<u>771,173</u>	<u>873,020</u>
	<u>\$ 2,725,919</u>	<u>\$ 2,771,756</u>

**Fund Balances**

Trust Funds – fund balances	<u>\$ 2,725,919</u>	<u>\$ 2,771,756</u>
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On behalf of the Board

\_\_\_\_\_ Director \_\_\_\_\_ Director

See accompanying notes to the financial statements.



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

December 31	2007	2006
<b>Revenue</b>		
Interest	\$ 0	\$ 189,559
Donations and other	<u>16,154</u>	<u>364,378</u>
	<u>16,154</u>	<u>553,937</u>
<b>Expenditures</b>		
Other	<u>31,904</u>	<u>32,619</u>
	<u>\$ (15,750)</u>	<u>\$ 521,318</u>
Financing and transfers		
Net transfers to Library current fund	<u>(30,087)</u>	<u>(48,617)</u>
Change in fund balances	(45,837)	472,701
Fund balances, beginning of year	<u>2,771,756</u>	<u>2,299,055</u>
Fund balances, end of year	<u>\$ 2,725,919</u>	<u>\$ 2,771,756</u>

See accompanying notes to the financial statements.

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**The Hamilton Public Library Board**  
**Trust Funds**  
**Notes to the Financial Statements**

December 31, 2007

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**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.

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**2. Fund balances**

2007

2006

Trust funds consist of:

M. Walden Thompson	\$ 33,155	\$ 31,897
Special Gifts Fund	1,910,318	1,937,360
Permanent Endowment	592,610	617,529
K. McClaren Memorial	27,978	28,919
F. Walden	58,677	56,435
Dundas Library Fundraising	66,496	64,198
Waterdown Library	<u>36,685</u>	<u>35,418</u>
	<u>\$ 2,725,919</u>	<u>\$ 2,771,756</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.



# Hamilton Public Library

**Date:** June 10, 2008  
**To:** Chair and Board Members  
**c.c.:** Ken Roberts, Chief Librarian  
**From:** William Guise, Director, Finance & Facilities  
**Subject:** Sherwood Branch Library Lease

---

## **RECOMMENDATION:**

That a ten (10) year lease agreement with Norold Holdings Corporation for the current location of the Sherwood Branch Library (467 Upper Ottawa St) to begin January 1, 2011 at a rental rate of \$16.00 per square foot per annum for the period January 1, 2011 to December 31, 2015 and \$17.00 per square foot per annum for the period January 1, 2016 to December 31, 2020.

## **FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

The current operating budget has funding for rental of the existing location built in and the proposed rates are within the budget.

## **BACKGROUND:**

The City of Hamilton Real Estate section has been negotiating with Norold Holdings Corporation regarding necessary repairs and future lease costs. As a result of the negotiations, Norold has proposed the new rates for a ten year lease starting January 1, 2011 and have agreed to the following:

- Fix all water penetrations problems under the supervision of Pinchin Environmental and guarantee the work for a two year period
- Replace the existing six HVAC units
- Replace existing carpet and entrance flooring or provide an allowance
- Pick up the cost of painting and millwork
- Agree that the Library shall not be responsible to construct washrooms as set out in the existing lease agreement at the end of the lease
- Agree that the Library shall not be responsible to remove trade fixtures at the end of the lease



# Hamilton Public Library

**Date:** June 11, 2008  
**To:** Chair and Board Members  
**c.c.:** Ken Roberts, Chief Librarian  
**From:** William Guise, Director, Finance & Facilities  
**Subject:** **Purchase of Bookmobile**

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## **RECOMMENDATION:**

That a purchase order be issued to Macnab Bus Sales for the acquisition of a second bookmobile in the amount of \$246,889.00 plus applicable taxes under the same terms and conditions as per their response dated December 4<sup>th</sup> 2007 to our request for proposal for the acquisition of a new bookmobile.

## **FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

Sufficient funds for the acquisition of a second bookmobile are included in the Library's Reserve for Mobile Equipment.

## **BACKGROUND:**

On December 19<sup>th</sup> 2007 the Library Board approved the acquisition of a new bookmobile from MacNab Bus Sales at a cost of \$246,880.00 plus applicable taxes. The bid by MacNab Bus Sales was in response to our Request for Proposal for the acquisition of a new bookmobile originally issued in September 2007. Included in the Request for Proposal was a clause that gave the Library at its option, the right to purchase additional units if required, within 9 months from the award date, from the successful bidder, providing the bidder was willing to supply the units at the price bid in the original bid.

The bookmobile approved for acquisition in December 2007 had a production time of 240 days and is currently being built.

Since our current second bookmobile is now seventeen (17) years old and in need of replacement and production time for a new bookmobile is approximately 240 days, it is being recommended that the order be placed now

The Library has had experience with Macnab Bus Sales since they supplied both of our current bookmobiles which were purchased in 1990 and 1991 and we have had a continuing relationship with them over the years and are satisfied with their service.





**DATE:** June 13, 2008

**REPORT TO:** Chair and Members of the Board

**FROM:** Ken Roberts, Chief Librarian

**SUBJECT:** **Executive Committee**

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This is a reminder that Executive Committee members are:

Jennifer Gautrey (Chair)  
George Geczy  
Santina Moccio  
Doreen Horbach

These four Board members are empowered to act as the Board and to approve recommendations during the summer months of July and August. The Executive Committee exists so that, if necessary, financial approvals that would normally go to the entire board can be approved during the summer months. These are months when a quorum for board meetings might be a problem.

The Board bylaws do state that should an Executive Committee member not be available then the Chair may appoint another Board member to the Executive Committee.

As has happened in the past, if an Executive Committee meeting is called, the entire Board will be notified at least three days in advance. The entire Board will also be given the agenda and nothing else can be added to that agenda by the Executive Committee. Any Board members may attend a meeting of the Executive Committee and may also participate in discussions. Only Executive Committee members may vote. This is done so that we do not need to have a Board meeting and worry about having a quorum in order to reach a financial decision.

Any decisions that require a policy change require the Board Chair to call a special meeting of the entire Board.

The only purpose of the Executive Committee is to make sure that there are no operational hiccups during the summer months.

At present, the only issue that is on the horizon that may need to go to the Executive Committee is the possible short-term lease of space in Jackson Square to allow library patrons to pick-up holds during renovation without requiring them to walk through a construction zone.