

**Canmore Library Board Minutes
Budget Meeting on Thursday, August 24, 2017**

CALL TO ORDER: 6:31pm

In Attendance: A. Baker, S. Beckett, J. Smith, A. Metikosh, B. Millard, P. McKeown, E. Russell, M. Sampson, M. Preston, T. Madge.

Chaired by: B. Millard

17-08-01 MOTION: S. Beckett moved to accept the agenda as amended. Seconded: E. Russell.
CARRIED.

17-08-02 MOTION: A. Metikosh moved to approve the June 2017 minutes. Seconded: M. Sampson.
CARRIED.

INFORMATION ITEMS

Candidates Forum: The all-candidates forum is proceeding as planned on October 4th, 2017 from 7:00 to 9:00 p.m. at Creekside Hall. One question will be sent to the candidates in advance of the forum and questions will be solicited from the floor during the event.

Board Member Recruitment: There are five Board positions to be filled this term, three new appointments and two reappointments. All Board members are asked to think about potential Board candidates and encourage any interested parties to apply to the Town. B. Millard also asked for a volunteer to be the Correspondence Secretary until new officers are appointed in January 2018. The position is filled. A. Metikosh stepped forward to assume this role.

Payroll: M. Preston met with a representative from Collins Barrow to discuss their services as an alternative payroll provider. A mid-year transition was not advised so this option will be revisited later in the year. The Payroll and Benefits Co-ordinator position is currently being advertised.

Library Board Bylaws, Second and Third Reading: The revised bylaws were circulated in the June package and the first reading was held in the June meeting. The second and third reading will be held at the September meeting. All Board members are asked to review these updated bylaws again in preparation for the September meeting.

ACTION: M. Preston will send out the bylaws one week in advance of the September package.

Banned Patrons: Two members of the public have been banned from Elevation Place and the Library. They were both served a notice of trespass by the RCMP. The Board will be kept apprised of any further developments.

NEW BUSINESS

Library Reserves: A. Baker gave an overview of the Library Reserves. The current recommendation is to reduce the Restricted Reserve to \$50,000 and move the balance to the unrestricted capital reserve.

2018 Budget Existing and Fully Funded: P. McKeown gave a brief overview regarding the proposed 2018 budget. M. Preston gave a detailed explanation of the currently proposed budget and the rationale for

the changes shown on the proposed budget spreadsheet. Budget options and amendment requests were discussed.

17-08-03 MOTION: A. Baker moved that the Reserve Fund Policy be updated as per the wording found in the Reserve Policy Wording worksheet (see attachment #1). Seconded: S. Beckett. **CARRIED.**

17-08-04 MOTION: A. Baker moved that the Operating and Capital Reserve Funds be re-allocated to align with amounts calculated in the Summary Table of Reserve Amount (see attachment #2). Seconded: J. Smith. **CARRIED.**

17-08-05 MOTION: A. Baker moved that M. Preston submit a budget amendment proposal to the Town to request a fully funded 2018 operational budget. Seconded: P. McKeown. **CARRIED.**

2018 Salary Range and COLA:

17-08-06 MOTION: E. Russel moved to approve the 2018 Salary Range and COLA as presented. Seconded: M. Sampson. **CARRIED.**


Chair: B. Millard


Vice Chair: M. Sampson

ACTION: M. Preston will send out the bylaws one week in advance of the September package.

MEETING ADJOURNED by B. Millard at 8:17p.m.

DATE OF NEXT REGULAR MEETING: Thursday, September 28, 2017 at 6:30p.m. in the Meeting Room.

Attachment #1**CANMORE LIBRARY BOARD****RESERVE FUND POLICY**

The Canmore Library Board shall maintain an Operating and a Capital Reserve Fund. Contributions to these funds may come from a Board-approved appropriation of retained earnings or from specific allocations approved by the Board in its annual budget.

Operating Reserve: This reserve is to be used to permit transactions that enter into the unanticipated determination of income (loss). For example, operating reserves could be used to fund budgeted expenditures in a year when expected revenues are not achieved for reasons beyond the control of the Board or for unanticipated one-time charges of an operating nature such as the payout of vacation entitlements upon the resignation of an employee. The Operating Reserve amount shall be calculated by including credit guarantees, insurance deductibles and other operating guarantee amounts to which the Library is obligated. It will include an averaged amount representing statutory requirements such as vacation and termination liability, timing differences at year end, and budget timing overlap. The reserve amount is to be reviewed and updated prior to each year end, using current average calculations.

Capital Reserve: The Capital Reserve shall be increased based upon either Library expansion planning, or a ratio calculation based upon forecasted municipal growth; it may also include calculations based upon a capital repair or replacement project. This reserve may be used for the acquisition of new or replacement assets that are to be used in the operation of the Library and that are not intended for resale. The reserve amount is to be reviewed and updated annually, using the current calculations based upon either expansion planning or the ratio based upon municipal growth estimates as provided by the Town of Canmore.

The Library Director shall maintain a ledger for each of these funds that shall include date and the amounts transferred to them and the source of those funds as well as the details of any expenditure from them the purpose of those expenditures. The Ledger shall also note the date of approval by the Board for the transfers.

Reserve funds shall be invested in non-speculative investment vehicles and interest earned on them shall be accrued to the Capital Reserve.

The Treasurer shall review the fund balances and calculations annually and report to the Board.

This policy shall be reviewed every three years.

Approved: August 25, 2017

Attachment #2:

Operating and Capital Reserve Amounts Summary Table	
2016 Year-end balance forward:	
Internally restricted (Operational Reserve):	100,000
Unrestricted (Capital Reserve):	140,470
Balance at December 2016 Year End:	<u>240,470</u>
Funds withdrawn to replace revenue shortfall in 2017 budget:	-70,852
Funds transferred per March motion to replenish operating reserve:	70,852
Balance remaining restricted (Operational Reserve) today:	100,000
Balance remaining unrestricted (Capital Reserve) today:	69,618
Recommended Operating Reserve at 2017 Year End	
Credit facility guarantee:	10,000
Insurance deductible:	5,000
Timing differences/budget overlap/resignation of employee:	35,000
Total Operating Reserve:	<u>50,000</u>
Recommended Capital Reserve - based upon annual contribution	
Growth (annual amount based on maximizing space in Elevation Place, ie. Increasing shelf space or colonizing neighbouring space) ²	
\$25k per year for 4 years ³	<u>100,000</u>
	<u>100,000</u>
Capital Reserve - total contribution to end of 2017	100,000

¹Alberta Regional Library System Standards - resource used for current library sizing

²Standards and Best Practices for Public Libraries in Alberta - newest resource, to be used for future sizing

³ Square footage calculation:

16,700 = 20k then 25,050 for 30k

8350.*300.= 2,505,000

If we commit to 1/10th of that - 250,000 over 10 years then 25k per year

³ Also based upon library contribution during last move of \$500k+