

Peterborough Public Library Board Meeting Agenda

June 26, 2018
6:00 p.m.
345 Aylmer Street North
Library Board Room

	Pages
1. Call to Order	
2. Confirmation of Minutes	
2.1 May 29, 2018	1 - 5
3. Disclosure of Pecuniary Interest	
4. Consent Agenda	
6.5 6.6	
5. Reports and Communications	
5.1 Newspaper Digitization Project Report PPL18-040	6 - 9
5.2 Auditor's Report Report PPL18-042	10 - 41
5.3 Updates from the Foundation and Friends of the Library Report PPL18-038	42 - 43
5.4 Library Board Legacy Planning Report PPL18-041	44 - 48
5.5 Library CEO Report June 2018 Report PPL18-039	49 - 50
5.6 2018 Holiday Operating Hours Report PPL18-037	51 - 52
6. Other Business	
7. Next Meeting - September 11, 2018	

8. Adjournment

Peterborough Public Library Board Minutes City of Peterborough

Date: **May 29, 2018**

Present Leslie Woolcott, Vice Chair
Barb Connor
Jayne White
Garth Wedlock
Dan Moloney
Councillor Baldwin
Councillor Riel

Regrets Paul Stern, Chair
Mauro DiCarlo

Staff Natalie Garnett, Deputy Clerk
Jennifer Jones, Library CEO

The meeting was called to order by the Vice Chair at 6:00 p.m.

Confirmation of Minutes

Moved by Councillor Baldwin

That the minutes of the Peterborough Public Library Board of April 24, 2018 be approved.

Carried

Disclosure of Pecuniary Interest

There were no disclosures of pecuniary interest.

Consent Agenda

No items were passed as part of the Consent Agenda.

Reports and Communications

The Agenda was amended to hear the presentation on the Library Strategic Plan first.

Library Strategic Plan - Status Update

Report PPL18-029

TCI provided a PowerPoint presentation on the Library Strategic Plan.

Following discussion the Board elected to alter the wording in the mission statement as follows:

"Our library will inspire our communities to become more engaged and literate."

Moved by Barb Connor

That the Library Board approve the recommendations in Report PPL18-029, dated May 29, 2018, of the Library, as follows:

- a) **That the presentation by TCI be received for information; and**
- b) **That TCI be given approval to proceed with an informational presentation to Council at an upcoming General Committee meeting.**

Carried

MOU Update

Report PPL18-032

Moved by Dan Moloney

That the Library Board approve the recommendation outlined in Report PPL18-032 dated May 29, 2018, of the Library CEO as follows:

That the report of the Library CEO be received for information.

Carried

Updates from the Foundation and Friends of the Library

Report PPL18-030

Barb Connor, Friends of the Library, advised that the first book sale will be held on June 23rd, and a children's book sale will be held July 3rd.

Jayne White, Library Foundation Board, advised that elections were held and the organization has adopted a new logo.

Moved by Garth Wedlock

That the Library Board approve the recommendations outlined in Report PPL18-030, dated May 29, 2018, of the Library CEO, as follows:

- a) **That a verbal report to inform the Library Board on the status of the Foundation by Jayne White be received for information;**
- b) **That a verbal report to inform the Library Board on the status of the Friends of the Peterborough Public Library by Barb Connor be received for information; and,**

- c) That report PPL18-030 be received for information.**

Carried

MOU Property Matters

Report PPL18-036

Moved by Councillor Baldwin

That the Library Board approve the recommendations outlined in Report PPL18-036 dated May 29, 2018, of the Library CEO, as follows:

- a) That the report of the Library CEO be received for information;**
- b) That the Board designate the Chair/Vice Chair as signing authorities for the agreements of purchase and sale and related documentation;**
- c) That the Board approve the sale of the property, subject to clarification regarding the Carnegie Trust, owned by the Library Board at 345 Aylmer Street N (main branch) to the City of Peterborough for \$2;**
- d) That the Board approve the sale of the property owned by the Library Board at 729 Park Street S (DelaFosse branch) to the City of Peterborough for \$2; and,**
- e) That the Board direct the Library CEO to retain a lawyer on its behalf.**

Carried

Advertising Policy

Report PPL18-034

Moved by Jayne White

That Report PPL18-034, Advertising Policy, be deferred to an upcoming meeting.

Carried

Art Policy

Report PPL18-035

Moved by Councillor Riel

That Report PPL18-035, Art Policy, be deferred to a future meeting.

Carried

Security Services - Interim Update

Report PPL18-033

Dan Moloney left the meeting at 7:46 p.m.

Moved by Councillor Riel

That the Library Board approve Report PPL18-033, dated May 29, 2018 of the Library CEO, as follows:

- a) **That Report PPL18-033 be received for information; and,**
- b) **That the pilot project be extended in the 2019 budget as a below the line request to expand Security Services to full library operating hours.**

Carried

Library CEO Report May 2018

Report PPL18-031

Moved by Barb Connor

That the Library Board approve the recommendation in Report PPL18-031 dated May 29, 2018, of the Library CEO as follows:

That the report be received for information.

Carried

Other Business

The Performance Appraisal Process was added as an item of Other Business.

Correspondence

Holiday Closure

Discussion was held regarding library hours on the Sunday of long weekends. This item will come back to the Board at a future meeting.

Correspondence

Pamphlet Racks

This item was discussed as part of the Advertising Policy (Report PPL18-034).

Moved by Garth Wedlock

That the Performance Appraisal Process for the Library CEO be deferred to permit additional work to be undertaken.

Carried

Next Meeting - June 26, 2018

Adjournment

Moved by Jayne White

That the meeting adjourn at 8:34 p.m.

Carried

Natalie Garnett

Deputy Clerk

Paul Stern, Chair



City of
Peterborough

To: Peterborough Public Library Board of Trustees

From: Erik Hanson, Heritage Resources Coordinator

Meeting Date: June 26, 2018

Subject: Report PPL18-040
Newspaper Digitization Project

Purpose

A report to recommend that the Peterborough Public Library receive a presentation on providing funding for a newspaper digitization project.

Recommendations

That the Peterborough Public Library Board approve the recommendations outlined in Report PPL18-040, dated June 26, 2018 of the Heritage Resources Coordinator, as follows:

- a) That the Library Board receive for information a presentation on a project to digitize microfilm copies of the various historic city newspapers; and,
- b) That the Library Board approve the re-allocation of reserve funds previously directed to the city directory digitization project in support of the digitization of microfilmed copies of city newspapers.

Budget and Financial Implications

The proposed project involves the digitization of the microfilm copies of four Peterborough newspapers dating between 1846 and 1950. The project includes both the digitization of existing reels and the replacement of some reels so deteriorated that a digital copy could not be accurately searched using OCR technology. The costs

outlined are based on the rates provided by Canadiana.org which is the only vendor that has provided a full quote. Pricing has been solicited from several other companies and it is anticipated that they will be in a similar range. Based on Canadiana's quote, the total cost of the project is:

Item	Unit Cost	Total (incl. HST)
Digitization of 393 microfilm reels	Based on 393 reels @ \$3.00/ reel plus \$0.20 per image @ 438,900 images	\$88,960
Replacement of low quality reels	\$135 plus HST	\$11,900
	Project Total:	\$100,860

In 2016 the Library Board approved the use of a reserve fund from the 2004 flood to support the digitization of 124 City Directories dating from the mid 1800s through 2009. A total of \$49,200.00 was allocated for the directory digitization project but only \$6,843.00 was required for the project, leaving a total of \$42,357.00 which could be reallocated to the newspaper digitization project. An application for the remaining \$58,500 required is being made to a federal grant program through Library and Archives Canada supporting the digitization of archival material by municipalities.

Background

In 2016, Peterborough Public Library funded a project by the Heritage Preservation Office (HPO) to digitize the Peterborough City Directories, consisting of 124 volumes dating from 1846 to 2009. Through this project, the directories were made key-word searchable and widely accessible through an on-line database and distribution of the PDF files to local heritage and municipal institutions. Over the last two years, the collection of digital directories has become a powerful research tool for historians, genealogists, and those with a general interest in the history of the city. The project has been met with universally positive feedback since the directories became available in late 2016.

Given the success of the directory digitization project, the HPO is seeking to develop a similar collection of digitized city newspapers currently held on microfilm by the Library. Like the directories, the resultant digital files would be key-word searchable and available on an online platform accessible to the public. However, this project is significantly larger in scope, due to the high number of microfilm reels held by the Library, and has its own unique issues.

While the newspapers are copyrighted material, many of the older issues have passed into the public domain. For more recent material, it is reasonable and acceptable for the City to undertake record management to maintain a document collection that is in danger of being lost through deterioration. Digitization is understood to be acceptable

record management. As with all such material, it will be incumbent on the end-user to satisfy themselves that their use of the digitized newspapers complies with the Copyright Act.

The current condition of the microfilm also makes producing high-quality scans from the microfilm which generate accurate key-word searches a challenge. Test reels have been sent to several vendors to determine the image quality of the digital files. These will be tested to determine the accuracy of the Optical Character Recognition (OCR) on the file. Given the overall condition of the microfilm collection, it is anticipated that a number of the microfilm reels will need to be replaced in order to produce scans of sufficiently high quality for acceptable OCR accuracy. The test scans will generate a quality baseline for determining the number of reels which need to be replaced. Currently, it is anticipated that about 20% of the reels will need to be re-printed before they can be digitized. The cost of replacement reels for a percentage of the collection has been factored into the overall cost of the project. The role of the Library in the project will be limited and will not require library staff time beyond collecting providing the reels chosen for digitization.

To meet the added costs of renewing the microfilm prior to digitization, the HPO is seeking additional funding for the project through the National Heritage Digitization Strategy's "Digitizing Canadian Collections" funding call by Library and Archives Canada. While this is not a cost matching program, staff feels that confirmation of the availability of a significant contribution from the Library speaks favourably to the City's commitment to the project. The application deadline for this funding call was June 12, 2018. While the grant application did not commit the Library funds to the project, it did indicate that a request was being made for the reallocation of the reserves from the previous directory digitization project.

The digitized collection will be available on an online platform for public access and copies of each file will also be provided to the Library as an in-house research tool. As with the directory project, the digitization of the Library's newspaper collection will create far greater access to an important historical resource through both its near universal, online availability and its searchability. It is anticipated that the digital versions of the newspapers will be of interest to a wide audience, from historical researchers to the general public. The digitization of the material will also allow for the microfilm reels to be appropriately stored and archived, thus decreasing their use and the potential for damage to this physical resource.

Submitted by,

Erik Hanson
Heritage Resources Coordinator

Lisa Oversby
Heritage Intern

Contact Name:

Lisa Oversby

Heritage Intern

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**Peterborough
Public Library**

To: Peterborough Public Library Board of Trustees

From: Jennifer Jones, Library CEO

Meeting Date: June 26, 2018

**Subject: Report PPL18-042
Auditor's Report**

Purpose

A report to inform the Library Board of the status of the Library Board/City of Peterborough Memorandum of Understanding (MOU).

Recommendation

That the Library Board approve the recommendation outlined in Report PPL18-042 dated June 26, 2018, of the Library CEO, as follows:

That a verbal report to inform the Library Board of the status of the Library accounts by the Auditor be received for information.

Budget and Financial Implications

There is no budget or financial implication resulting from the approval of the recommendation of this report.

Background

A representative from the Library's Auditor will attend the Library Board meeting on June 26, 2018, to provide a verbal report regarding the status of the 2017 Library finance audit (see Appendix A).

Submitted by,

Jennifer Jones
Library CEO

Contact Name:
Jennifer Jones
Phone: 705- 745-5382 Ex. 2370
Fax: 705-745-8958
E-mail: jjones@peterborough.ca

Attached:

Appendix A – 2017 Auditor Letter
Appendix B – 2017 Audited Library Financials



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June 20, 2018

Members of the Board of Directors
 Peterborough Public Library Board
 345 Aylmer St N
 Peterborough, Ontario
 K9J 3V7

Re: Audit of the Financial Statements of Peterborough Public Library Board

Dear Members of the Board of Directors:

We have been engaged to express an audit opinion on the financial statements of Peterborough Public Library Board ("the Organization") for the year ended December 31, 2017. We have substantially completed our audit and are pleased to report on the following items.

The purpose of this report is to summarize certain aspects of the audit that we believe to be of interest to the Board of Directors. This report should be read in conjunction with the draft financial statements and our report thereon.

Auditor Independence

Canadian Auditing Standards ("CAS") require communications with audit committees, or other appropriate parties responsible for governance, at least annually, regarding all relationships between the Organization and our Firm that, in our professional judgement, may reasonably be thought to bear on our independence.

Through our planning process, we identify any potential independence threats and communicate any concerns we identify. The Organization, management and the Board of Directors have a proactive role in this process, and are responsible for understanding the independence requirements applicable to the Organization and its auditor. You must also bring to our attention any changes in the threshold status of the Organization, any concerns you may have, or any knowledge of situations or relationships between the Organization, management, personnel (acting in an oversight or financial reporting role) and our Firm, its partners/principals and audit team personnel that 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 Chartered Professional Accountants of Ontario (registered name of The Institute of Chartered Accountants of Ontario) and applicable legislation, covering such matters as:

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

In accordance with our professional requirements, we advise you that we are not aware of any relationships between the Organization and our Firm that, in our professional judgement, may reasonably be thought to bear on our independence.

Accordingly, we hereby confirm that our audit engagement team, our Firm and the other Collins Barrow offices are independent with respect to the Organization within the meaning of the Rules of Professional Conduct Rule 204 of the Chartered Professional Accountants of Ontario (registered name of The Institute of Chartered Accountants of Ontario).

Our Responsibilities as Auditor

As stated in the engagement letter, our responsibility as auditor of your Organization is to express an opinion on whether the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Organization in accordance with Canadian Public Sector Accounting Standards.

An audit is performed to obtain reasonable but not absolute assurance as to whether the financial statements are free of material misstatement. Due to the inherent limitations of an audit, there is an unavoidable risk that some misstatements of the financial statements will not be detected (particularly intentional misstatements concealed through collusion), even though the audit is properly planned and performed.

Our audit includes:

- Assessing the risk that the financial statements may contain material misstatements that, individually or in the aggregate, are material to the financial statements taken as a whole;
- Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- Assessing the accounting principles used, and their application; and
- Assessing the significant estimates made by management.

As part of our audit, we will obtain a sufficient understanding of the business and internal control structure of the Organization to plan the audit. This will include management's assessment of:

- The risk that the financial statements may be materially misstated as a result of fraud and error; and
- The internal controls put in place by management to address such risks.

The engagement team undertakes a documented planning process prior to commencement of the audit to identify concerns, addresses independence considerations, assesses the engagement team requirements, and plans the audit work and timing.

An audit does not relieve management or those responsible for governance of their responsibilities for the preparation of the Organization's financial statements.

Board of Directors' Responsibilities

The Board of Directors' role is to act in an objective, independent capacity as a liaison between the auditor and management to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

The Board of Directors' responsibilities include:

- Being available to assist and provide direction in the audit planning process when and where appropriate;

- Meeting with the auditors as necessary and prior to release and approval of financial statements to review audit, disclosure and compliance issues;
- Where necessary, reviewing matters raised by the auditor with appropriate levels of management, and reporting back to the auditors their findings;
- Making known to the auditor any issues of disclosure, corporate governance, fraud or illegal acts, non-compliance with laws or regulatory requirements that are known to them, where such matters may impact the financial statements or Independent Auditor's Report;
- Providing guidance and direction to the auditor on any additional work the auditor feels should be undertaken in response to issues raised or concerns expressed;
- Making such enquiries as appropriate into the findings of the auditor with respect to corporate governance, management conduct, cooperation, information flow and systems of internal controls; and
- Reviewing the draft financial statements prepared by management, including the presentation, disclosures and supporting notes and schedules, for accuracy, completeness and appropriateness.

Audit Approach

Outlined below are certain aspects of our audit approach which are intended to help you in discharging your oversight responsibilities. Our general approach to the audit of Peterborough Public Library Board is to assess the risks of material misstatement in the financial statements and then respond by designing audit procedures.

Independent Auditor's Report

We expect that our Independent Auditor's Report will be modified as follows:

The Peterborough Public Library derives revenue from donations and user charges, the completeness of which is not susceptible of satisfactory audit evidence. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Peterborough Public Library and we were not able to determine whether any adjustments might be necessary to the revenues, annual surplus, assets and accumulated surplus.

Illegal Acts, Fraud, Intentional Misstatements and Errors

Our auditing procedures, including tests of your accounting records, were limited to those considered necessary in the circumstances and will not necessarily disclose all illegal acts should any exist. Under CAS, we consider the Organization's control environment, governance structure, circumstances encountered during the audit and the potential likelihood of fraud and illegal acts occurring.

These procedures are not designed to test for fraudulent or illegal acts, nor will they necessarily detect such acts or recognize them as such, even if the effect on the financial statements is material. However, should we become aware that an illegal or possibly illegal act or act of fraud may have occurred, other than one considered clearly inconsequential, we will communicate directly to the Board of Directors.

It is management's responsibility to detect and prevent illegal action. If such acts are discovered or the Board of Directors members become aware of circumstances under which the Organization may have been involved in fraudulent, illegal or regulatory non-compliance situations, such circumstances must be disclosed to us.

Testing during our audit did not reveal any illegal, improper or questionable payments or acts, nor any acts committed with the intent to deceive, involving either misappropriation of assets or misrepresentation of assets or misrepresentation of financial information.

Related Party Transactions

During our audit, we conduct various tests and procedures to identify transactions considered to involve related parties. Related parties exist when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Related parties also include management, directors and their immediate family members and companies with which these individual have an economic interest.

There were no related party transactions identified during the audit that required disclosure in the notes to the financial statements.

Significant Accounting Principles and Policies

Management is responsible for the appropriate selection and application of accounting policies. Our role is to review the appropriateness and application as part of our audit. The significant accounting principles and policies are disclosed in the notes to the financial statements.

The accounting policies adopted may be acceptable policies under Canadian Public Sector Accounting Standards; however, alternative policies may also be acceptable under Canadian Public Sector Accounting Standards. The Organization and the Board of Directors have a responsibility to not adopt extreme or inappropriate interpretations of Canadian Public Sector Accounting Standards that may have inappropriate or misleading results. Alternative policies, if adopted, may produce significant changes in the reported results of the operations, financial position and disclosures of the Organization.

The Board of Directors has a responsibility to review the accounting policies adopted by the Organization, and where alternative policies are available, make determinations as to the most appropriate policies to be adopted in the circumstances. If members of the Board of Directors believe that the adoption or change in accounting policy may produce an inappropriate or misleading result in financial reporting or disclosure, this concern must be discussed with management and us.

There were no new accounting policies adopted or changes to the application of accounting policies of the Organization during the year.

Accounting Estimates

Management is responsible for the accounting estimates included in the financial statements. Estimates and the related judgements and assumptions are based on management's knowledge of the business and past experience about current and future events.

Our responsibility as auditors is to obtain sufficient appropriate evidence to provide reasonable assurance that management's accounting estimates are reasonable within the context of the financial statements as a whole. An audit includes performing appropriate procedures to verify the:

- Calculation of accounting estimates;
- Analyzing of key factors such as underlying management assumptions;
- Materiality of estimates individually and in the aggregate in relation to the financial statements as a whole;
- Estimate's sensitivity to variation and deviation from historical patterns;
- Estimate's consistency with the entity's business plans; and
- Other audit evidence.

Risk-based

Our risk-based approach focuses on obtaining sufficient appropriate audit evidence to reduce the risk of material misstatement in the financial statements to an appropriately low level. This means that we focus our audit work on higher risk areas that have a higher risk of being materially misstated.

Materiality

Materiality is used throughout the audit and in particular when:

- a) Identifying and assessing risk of material misstatement;
- b) Determining the nature, timing and extent of further audit procedures; and
- c) Evaluating the effect of uncorrected misstatements, if any, on the financial statements and in forming an opinion on the auditors' report.

Materiality is defined as:

Materiality is the term used to describe the significance of financial statement information to decision makers. An item of information, or an aggregate of items, is material if it is probable that its omission or misstatement would influence or change a decision. Materiality is a matter of professional judgement in the particular circumstances.

We used an overall materiality of \$90,000 and a performance materiality of \$76,500. The overall materiality for last year's audit was \$87,500 and the performance materiality was \$74,375.

Audit Procedures

In responding to our risk assessment, we used a combination of tests of controls, tests of details and substantive analytical procedures. The objective of the tests of controls is to evaluate whether certain controls operated effectively. The objective of the tests of details is to detect material misstatements in the account balances and transaction streams. Substantive analytical procedures are used to identify differences between recorded amounts and predictable expectations in larger volumes of transactions over time.

Evaluation of Internal Controls

Audits include a review and evaluation of the system of internal controls to assist in determining the level of reliance that may or should be placed on the system in assessing the nature and extent of audit procedures to be undertaken.

There are no internal control matters that we wish to bring to your attention.

Written Representations Requested From Management

As part of our audit, we request that management prepare a letter to us to re-affirm various representations that they have provided to us and we have relied upon. A copy of this letter is attached for your convenience.

Significant Misstatements

In the course of our audit, we have not found any material misstatements or unadjusted items that, in aggregate, exceed materiality thresholds established for the audit, nor have we found significant misstatements that would likely cause future financial statements to be materially misstated.

Uncorrected Misstatements

In the course of our audit, we have not identified any uncorrected financial statement misstatements.

Significant Unusual Transactions

We are not aware of any significant transactions entered into by the Organization that you should be informed about.

Disagreements with Management

We are required to communicate any disagreements with management, whether or not resolved, about matters that are individually or in aggregate significant to the Organization's financial statements or auditors' report. Disagreements may arise over:

- Selection or application of accounting principles;
- Assumptions and related judgements for accounting estimates;
- Financial statement disclosures;
- Scope of the audit: or
- Wording of the auditors' report.

In the course of our audit, we did not have any significant disagreements with management, nor were we under any significant time pressures or poor working conditions. We are not aware of any cause for concern as to management's attitude, competence or credibility with respect to matters affecting the financial statements.

Difficulties Encountered During the Audit

We encountered no significant difficulties during our audit that should be brought to the attention of the Board of Directors.

Management Letter

During our audit, we did not note any significant issues on internal controls to report to management.

Conclusion

We wish to express our appreciation for the co-operation we received during the audit from the Organization's management.

Should any member of the Board of Directors wish to discuss or review any matter addressed in this letter or any other matters related to financial reporting, please do not hesitate to contact us at any time.

To ensure there is a clear understanding and record of the matters discussed, we ask that two members of the Board of Directors sign their acknowledgement in the spaces provided below.

Yours very truly,

Collins Barrow Kawarthas LLP



per: Joanna Park, CPA, CA

Acknowledgement of the Board of Directors:

We have read and reviewed the above disclosures and understand and agree with the comments therein:

Peterborough Public Library Board

Name

Position

Name

Position

Schedule of Uncorrected Misstatements

Description of Misstatement	Proposed Adjustments Dr (Cr)				
	Statement of Income		Balance Sheet		
	Identified Misstatements	Likely Aggregate Misstatements	Assets	Liabilities	Opening Equity
a) Totals		-	-	-	-
b) Misstatements corrected by management		-	-	-	-
c) Likely aggregate misstatements net of corrections (a - b)		-	-	-	-
d) Effect of unadjusted misstatements from previous year's errors		-	-	-	-
e) Aggregate likely misstatements (c + d)		-	-	-	-
f) Final overall materiality		90,000	90,000	90,000	90,000
g) Amount remaining for further possible misstatement (f - e)		90,000	90,000	90,000	90,000

Peterborough Public Library Board
345 Aylmer St N
Peterborough, Ontario
K9J 3V7

June 26, 2018

Collins Barrow Kawarthas LLP
272 Charlotte St.
Peterborough, Ontario
K9J 2V4
Canada

Attention: Joanna Park, CPA, CA

Dear Madam:

This representation letter is provided in connection with your audit of the financial statements of Peterborough Public Library Board for the year ended December 31, 2017 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian Public Sector Accounting Standards.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 31, 2017 for the preparation of the financial statements in accordance with Canadian Public Sector Accounting Standards; in particular, the financial statements are fairly presented in accordance therewith.
2. We have assessed that the organization is able to continue as a going concern and the financial statements have been prepared on a going concern basis.
3. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
4. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian Public Sector Accounting Standards.
5. There have been no events subsequent to the date of the financial statements up to the date hereof that would require recognition or disclosure in the financial statements. Furthermore, there have been no events subsequent to the date of the comparative financial statements that would require adjustment of those financial statements and the related notes.
6. Unrecorded adjustments at year end are trivial in amount and nature, therefore the effects of unrecorded adjustments are, both individually and in the aggregate, immaterial to the financial statements.
7. The accounting policies selected and the application thereof is appropriate, including those for complex areas of accounting and areas involving management's judgement and estimates, for example, revenue recognition, fair value measurements, transfers of receivables, hedging relationships and consolidation of variable interest entities.
8. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

9. We are aware of the environmental laws and regulations that impact on our organization and we are in compliance. There are no known environmental liabilities, including liabilities under sections PS3260 - Liability for Contaminated Sites and PS3270 - Solid Waste Landfill Closure & Post-Closure Liability that have not been accrued for or disclosed in the financial statements.
10. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
11. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
12. We confirm that there are no derivative or off-balance sheet financial instruments held at year end.
13. We have made the appropriate determination, accounting and disclosure in the financial statements of the costs, assets and obligations associated with employee future benefits.
14. 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.
15. The organization has satisfactory title to all assets, and there are no liens or encumbrances on the organization's assets.

Information provided

16. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
17. All transactions have been recorded in the accounting records and are reflected in the financial statements.
18. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
19. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
20. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
21. We have disclosed to you, and the organization has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debts.
22. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
23. We have disclosed to you the identity of the entity's related parties and all the related-party relationships and transactions of which we are aware.

24. The minute books of the organization are a complete record of all meetings and resolutions of the organization throughout the year and to the present date.

Yours very truly,

Name/Position

Signature

PETERBOROUGH PUBLIC LIBRARY BOARD

FINANCIAL STATEMENTS

DECEMBER 31, 2017

Draft June 20, 2018

PETERBOROUGH PUBLIC LIBRARY BOARD

FINANCIAL STATEMENTS

DECEMBER 31, 2017

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INDEPENDENT AUDITOR'S REPORT**To the Board of Directors of the
Peterborough Public Library Board***Report on the Financial Statements*

We have audited the accompanying financial statements of the Peterborough Public Library Board, which comprise the statement of financial position as at December 31, 2017, the statements of operations and accumulated surplus, change in net financial assets/(liabilities) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many library boards, the Board derives revenue from user charges and donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Board and we were not able to determine whether any adjustments might be necessary to revenue, annual surplus (deficit), assets and accumulated surplus.

Qualified Opinion

Except as noted in the above paragraph, in our opinion, these financial statements present fairly, in all material respects, the financial position of the Peterborough Public Library Board as at December 31, 2017 and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 26, 2018

PETERBOROUGH PUBLIC LIBRARY BOARD**STATEMENT OF FINANCIAL POSITION**
At December 31, 2017

	2017	2016
	\$	\$
FINANCIAL ASSETS		
Cash	1,889,782	239,732
Accounts receivable		
City of Peterborough	570,705	2,130,821
Other	26,965	134,807
TOTAL FINANCIAL ASSETS	2,487,452	2,505,360
LIABILITIES		
Accounts payable and accrued liabilities	2,211,124	1,136,732
Deferred revenue (note 2)	10,902	-
Employee future benefits (note 3)	180,433	176,192
Long term debt (note 4)	8,291,225	2,963,500
TOTAL LIABILITIES	10,693,684	4,276,424
NET FINANCIAL ASSETS/(LIABILITIES)	(8,206,232)	(1,771,064)
NON-FINANCIAL ASSETS		
Tangible capital assets (note 5)	12,171,595	4,941,827
Prepaid expenses	133,234	160,154
TOTAL NON-FINANCIAL ASSETS	12,304,829	5,101,981
ACCUMULATED SURPLUS (note 8)	4,098,597	3,330,917

The accompanying notes are an integral part of these financial statements

PETERBOROUGH PUBLIC LIBRARY BOARD

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2017

	Budget 2017 \$ (Unaudited)	Actual 2017 \$	Actual 2016 \$
REVENUES			
Grants			
City of Peterborough	3,004,992	3,489,752	2,701,913
Province of Ontario	132,806	141,802	145,166
User charges (note 9)	84,000	96,977	81,622
Interest	-	11,684	6,054
Donations	-	5,499	32,978
Peterborough Public Library Foundation capital donation	-	250,000	-
TOTAL REVENUES	3,221,798	3,995,714	2,967,733
EXPENSES			
Salaries and wages	2,228,661	2,040,337	2,087,184
Processing materials and supplies	69,500	37,822	83,288
Support services	69,400	71,483	85,668
Property	537,060	473,561	270,873
Environmental services	-	-	12,859
Amortization	478,348	488,608	478,348
Interest on long term debt	81,640	116,223	13,667
TOTAL EXPENSES	3,464,609	3,228,034	3,031,887
ANNUAL SURPLUS/(DEFICIT)	(242,811)	767,680	(64,154)
ACCUMULATED SURPLUS - beginning of year		3,330,917	3,395,071
ACCUMULATED SURPLUS - end of year		4,098,597	3,330,917

The accompanying notes are an integral part of these financial statements

PETERBOROUGH PUBLIC LIBRARY BOARD

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS/(LIABILITIES) For the Year Ended December 31, 2017

	Budget 2017 \$ (Unaudited)	Actual 2017 \$	Actual 2016 \$
ANNUAL SURPLUS/(DEFICIT)	(242,811)	767,680	(64,154)
Amortization of tangible capital assets	478,348	488,608	478,348
Purchase of tangible capital assets	(4,439,053)	(7,718,376)	(3,165,712)
Change in prepaid expenses	-	26,920	(57,193)
CHANGE IN NET FINANCIAL ASSETS/(LIABILITIES)	(4,203,516)	(6,435,168)	(2,808,711)
NET FINANCIAL ASSETS/(LIABILITIES) - beginning of year	(1,771,064)	(1,771,064)	1,037,647
NET FINANCIAL ASSETS/(LIABILITIES) - end of year	(5,974,580)	(8,206,232)	(1,771,064)

The accompanying notes are an integral part of these financial statements

PETERBOROUGH PUBLIC LIBRARY BOARD

STATEMENT OF CASH FLOWS For the Year Ended December 31, 2017

	2017	2016
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus/(deficit)	767,680	(64,154)
Items not involving cash		
Amortization of tangible capital assets	488,608	478,348
Change in employee future benefits	4,241	5,931
Change in non-cash assets and liabilities		
Accounts receivable		
City of Peterborough	1,560,116	102,555
Other accounts receivable	107,842	(129,358)
Prepaid expenses	26,920	(57,193)
Accounts payable and accrued liabilities	1,074,392	118,380
Deferred revenue	10,902	(12,980)
Net change in cash from operating activities	4,040,701	441,529
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(7,718,376)	(3,165,712)
FINANCING ACTIVITIES		
Proceeds of debenture issue	5,475,900	2,963,500
Debt principal repayments	(148,175)	-
Net change in cash from financing activities	5,327,725	2,963,500
NET CHANGE IN CASH	1,650,050	239,317
CASH - beginning of year	239,732	415
CASH - end of year	1,889,782	239,732

The accompanying notes are an integral part of these financial statements

PETERBOROUGH PUBLIC LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2017

NATURE OF ORGANIZATION

The Peterborough Public Library Board is a local board of the Corporation of the City of Peterborough. The organization provides library service to the residents of the City of Peterborough and surrounding areas.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies are as follows:

(a) Reporting Entity

These financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the Peterborough Public Library Board.

(b) Recognition of Revenues and Expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Government funding is recognized in the financial statements as revenues in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Other revenue

User charges are recognized as revenue in the year the goods and services are provided.

Interest income is recorded when earned.

Donations are recognized as revenue as received.

(c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	30 to 50 years
Buildings	10 to 50 years
Books and other materials	7 years
Furniture and fixtures	4 to 15 years

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

PETERBOROUGH PUBLIC LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Use of Estimates

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the organization's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Board's significant estimates include:

- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates; and
- The values of employee future benefits depend on certain actuarial and economic assumptions.

(e) Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the Board because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Board unless they are sold.

(f) Deferred Revenue

Deferred revenue represents grants, user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(g) Reserves

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

(h) Trust Funds

Trust funds and their related operations administered by the Board are not included in these financial statements but are reported on separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

2. DEFERRED REVENUE

Deferred revenue consists of the Improving Library Digital Services grant from the Province of Ontario in the amount of \$10,902 (2016 - \$Nil).

3. EMPLOYEE FUTURE AMOUNTS PAYABLE

The Board provides certain employee benefits which will require payment in future periods. An actuarial valuation of these liabilities has been performed and the amounts are recorded in the Statement of Financial Position.

PETERBOROUGH PUBLIC LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2017

3. EMPLOYEE FUTURE AMOUNTS PAYABLE, continued

The following table sets out the results for the plans as at December 31, 2017:

	Retirement Benefits \$	Life Insurance \$	Total 2017 \$	Total 2016 \$
Accrued benefit obligation, beginning of year	101,106	61,292	162,398	160,509
Current cost	2,795	1,166	3,961	3,716
Interest cost	4,424	2,727	7,151	7,105
Benefit payments	(8,337)	(2,576)	(10,913)	(8,932)
Accrued benefit obligation, end of year	99,988	62,609	162,597	162,398
Unamortized actuarial gain (loss)	(5,884)	23,720	17,836	13,794
Accrued benefit liability, end of year	94,104	86,329	180,433	176,192

The actuarial valuations of the plans were based upon a number of assumptions about future events, which reflect management's best estimate. The following represents the more significant actuarial assumptions made:

	Benefits Payable Early Retirees %	Life Insurance %
Expected inflation rate	2% (2016 - 2%)	2% (2016 - 2%)
Expected level of salary increases	3% (2016 - 3%)	3% (2016 - 3%)
Interest discount rate	4.25% (2016 - 4.25%)	4.25% (2016 - 4.25%)

Retirement Benefits

Full-time employees of the Board are provided with Health Care and Dental Benefits. Certain benefits are also provided in early retirement if the retiree is eligible to receive an OMERS pension. The benefits cease on the retiree's 65th birthday.

Life Insurance

Full-time employees of the Board are provided with Life Insurance of two times their salary while they are active employees. The coverage terminates at retirement. However, the member is provided with the option to continue the Life Insurance at a reduced amount until death and the member pays the required premium.

PETERBOROUGH PUBLIC LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2017

4. LONG TERM DEBT

- (a) The balance of long term debt reported on the Statement of Financial Position is made up of the following:

	2017	2016
	\$	\$
Debenture issued by the City of Peterborough on behalf of the Peterborough Public Library to OILC, matures November 1, 2036. The Library portion of this debenture is repayable in semi-annual instalments of \$74,087 plus interest at a rate of 2.79% per annum.	2,815,325	2,963,500
Debenture issued by the City of Peterborough on behalf of the Peterborough Public Library to OILC, matures October 16, 2027. The Library portion of this debenture is repayable in semi-annual instalments of \$332,760 plus interest at a rate of 2.99% per annum.	3,327,600	-
Debenture issued by the City of Peterborough on behalf of the Peterborough Public Library to OILC, matures October 16, 2032. The Library portion of this debenture is repayable in semi-annual instalments of \$143,220 plus interest at a rate of 3.27% per annum.	2,148,300	-
	<u>8,291,225</u>	<u>2,963,500</u>

- (b) The long term debt reported in (a) of this note is repayable as follows:

	Principal	Interest	Total
	\$	\$	\$
2018	624,156	306,175	930,331
2019	624,156	280,987	905,143
2020	624,156	256,518	880,674
2021	624,156	230,612	854,768
2022	624,156	205,424	829,580
	3,120,780	1,279,716	4,400,496
2023 and subsequent years	5,170,445	891,028	6,061,473
	<u>8,291,225</u>	<u>2,170,744</u>	<u>10,461,969</u>

PETERBOROUGH PUBLIC LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2017

5. TANGIBLE CAPITAL ASSETS

The net book value of the board's tangible capital assets are:

	2017	2016
	\$	\$
General		
Land	11,119	11,119
Buildings	268,729	293,873
Land improvements	13,095	13,449
Books and other materials	1,593,484	1,545,539
Furniture, fixtures and equipment	101,183	92,590
	1,987,610	1,956,570
Assets under construction	10,183,985	2,985,257
	12,171,595	4,941,827

For additional information, see the Schedule of Tangible Capital Assets.

During the year there were no write-downs of assets (2016 - \$Nil) and no interest capitalized (2016 - \$Nil).

6. PENSION AGREEMENTS

Certain employees of the Board are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2017 Annual Report disclosed total actuarial liabilities of \$94,431 million in respect of benefits accrued for service with actuarial assets of \$89,028 million indicating an actuarial deficit of \$5,403 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Board does not recognize any share of the OMERS pension surplus or deficit.

The board's required contributions to OMERS in 2017 were \$107,606 (2016 - \$195,398).

7. TRUST FUNDS

Trust funds administered by the Board amounting to \$20,353 (2016 - \$20,349) have not been included in the Statement of Financial Position nor have their operations been included in the Statement of Operations and Accumulated Surplus. As such balances are held in trust by the Board for the benefit of others, they are not presented as part of the organization's financial position or operations.

PETERBOROUGH PUBLIC LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2017

8. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2017	2016
	\$	\$
Surplus/(Deficit)		
Unfunded employee future benefits	(180,433)	(176,192)
Invested In Capital Assets		
Tangible capital assets - net book value	12,171,595	4,941,827
Long term debt	(8,291,225)	(2,963,500)
Unexpended/(unfunded) capital	(945,745)	444,552
	2,934,625	2,422,879
Surplus	2,754,192	2,246,687
Reserves		
Library system	586,570	563,585
Friends of library	7,822	7,822
Innovation	30,895	30,546
Building maintenance	119,452	118,107
Materials acquisition	89,149	67,653
Peterborough collection	42,357	42,357
Healthy families	4,794	4,794
ESL program	2,885	2,885
Contingency	321,608	81,692
Library friends	22,717	31,211
Other donations	116,156	133,578
Total Reserves	1,344,405	1,084,230
	4,098,597	3,330,917

PETERBOROUGH PUBLIC LIBRARY BOARD

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2017

8. ACCUMULATED SURPLUS, continued

	Operating Fund \$	Unfunded Employee Future Benefits \$	Equity in Capital Assets \$	Reserve Funds \$	2017 Total \$
BALANCE - beginning of year	-	(176,192)	2,422,879	1,084,230	3,330,917
Annual Surplus/(Deficit)	1,233,503	(4,241)	(470,094)	8,512	767,680
Transfers between funds	(1,233,503)	-	981,840	251,663	-
BALANCE - end of year	-	(180,433)	2,934,625	1,344,405	4,098,597

9. USER CHARGES

User charges are comprised of:

	Budget 2017 \$ (Unaudited)	Actual 2017 \$	Actual 2016 \$
Fines	63,700	60,659	58,599
Other	700	17,579	1,202
Memberships	10,000	8,380	8,441
Photocopier charges	2,000	4,902	3,549
Equipment and facility rentals	6,800	4,897	8,997
Microfilm fees	100	316	169
Internet charges	200	200	197
Program revenue	500	44	468
	84,000	96,977	81,622

10. BUDGET FIGURES

The budget, approved by the Board, for 2017 is reflected on the Statement of Operations and Accumulated Surplus and the Statement of Change in Net Financial Assets/(Liabilities). The budget established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

PETERBOROUGH PUBLIC LIBRARY BOARD**NOTES TO THE FINANCIAL STATEMENTS**
For the Year Ended December 31, 2017

11. COMMITMENT

During 2016, the Peterborough Public Library committed to renovate their main branch location. Total estimated cost of this renovation is \$12,026,800 plus HST. Total expenditures on this renovation at December 31, 2017 amounted to \$10,183,984. The remaining commitment is expected to be funded from future debt and development charges from the City of Peterborough.

Draft June 20, 2018

PETERBOROUGH PUBLIC LIBRARY BOARD

SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2017

	General					Totals
	Land	Buildings	Land improvements	Books and other materials	Furniture, fixtures and equipment	
	\$	\$	\$	\$	\$	\$
COST						
Balance, beginning of year	11,119	2,241,595	32,517	3,461,441	333,942	2,985,257
Add: additions during the year	-	-	-	489,124	30,524	7,198,728
Less: disposals during the year	-	-	-	400,748	-	-
Balance, end of year	11,119	2,241,595	32,517	3,549,817	364,466	10,183,985
ACCUMULATED AMORTIZATION						
Balance, beginning of year	-	1,947,722	19,068	1,915,902	241,352	-
Add: additions during the year	-	25,144	354	441,179	21,931	-
Less: disposals during the year	-	-	-	400,748	-	-
Balance, end of year	-	1,972,866	19,422	1,956,333	263,283	-
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	11,119	268,729	13,095	1,593,484	101,183	10,183,985
						12,171,595

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the Peterborough Public Library Board

Report on the Financial Statements

We have audited the accompanying financial statements of the Trust Funds of the Peterborough Public Library Board, which comprise the statement of financial position as at December 31, 2017, the statement of continuity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Trust Funds of the Peterborough Public Library Board as at December 31, 2017 and the continuity of the Trust Funds for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 26, 2018

PETERBOROUGH PUBLIC LIBRARY BOARD

TRUST FUNDS STATEMENT OF FINANCIAL POSITION At December 31, 2017

	Nichols Endowment \$	Morrow Trust \$	2017 Total \$	2016 Total \$
FINANCIAL ASSETS				
Cash	15,437	5,146	20,583	20,540
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to Peterborough Public Library	172	58	230	191
FUND BALANCES				
	15,265	5,088	20,353	20,349
	15,437	5,146	20,583	20,540

TRUST FUNDS STATEMENT OF CONTINUITY For the Year Ended December 31, 2017

	Nichols Endowment \$	Morrow Trust \$	2017 Total \$	2016 Total \$
BALANCES - beginning of year	15,262	5,087	20,349	20,347
RECEIPTS				
Interest earned	175	58	233	193
EXPENSES				
Transfer to current operations	172	57	229	191
BALANCES - end of year	15,265	5,088	20,353	20,349

The accompanying notes are an integral part of these financial statements

PETERBOROUGH PUBLIC LIBRARY BOARD**TRUST FUNDS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2017**

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

(a) Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period and are based on management's best information and judgment. Actual results could differ from these estimates.



**Peterborough
Public Library**

To: Peterborough Public Library Board of Trustees

From: Jennifer Jones, Library CEO

Meeting Date: June 26, 2018

**Subject: Report PPL18-038
Updates from the Foundation and Friends of the Library**

Purpose

A report to inform the Library Board on the status of the Peterborough Public Library Foundation and the Friends of the Peterborough Public Library.

Recommendations

That the Library Board approve the recommendations outlined in Report PPL18-038, dated June 26, 2018, of the Library CEO, as follows:

- a) That a verbal report to inform the Library Board on the status of the Foundation by Jayne White be received for information;
- b) That a verbal report to inform the Library Board on the status of the Friends of the Peterborough Public Library by Barb Connor be received for information.

Budget and Financial Implications

There is no budget or financial implications associated with the recommendations of this report.

Background

Jayne White, from the Library Foundation Board, will attend the Library Board meeting on June 26, 2018, to provide a verbal update on the current status of the Foundation.

Barb Connor, chair of the Friends of the Library, will attend the Library Board meeting on June 26, 2018, to provide a verbal update on the current status of the Friends of the Library.

Submitted by,

Jennifer Jones
Library CEO

Contact Name:
Jennifer Jones
Phone: 705- 745-5382 Ex. 2370
Fax: 705-745-8958
E-mail: jjones@peterborough.ca



To: Peterborough Public Library Board of Trustees

From: Jennifer Jones, Library CEO

Meeting Date: June 26, 2018

Subject: Report PPL18-041
Library Board Legacy Planning

Purpose

A report to inform the Library Board on an option for a legacy planning document.

Recommendations

That the Library Board approve the recommendations outlined in Report PPL18-041 dated June 26, 2018, of the Library CEO as follows:

- a) That the report be received for information; and,
- b) That the Board consider the option of creating a legacy document.

Budget and Financial Implications

There is no budget or financial implication resulting from the approval of the recommendations of this report.

Background

2019 will be a year of transition for the Library Board. At the 2018 OLASuperconference a presentation was given to the OLBA group on Saturday February 3 entitled: "Passing the Torch: Transition Plans and Legacy Documents to Prepare Your Incoming Board."

It is recommended that the Library prepare a legacy document to outline the successes, strengths, opportunities, and challenges that the Board has experienced in the last 4 years. It is the Board's opportunity to leave some sage advice on how to achieve success in the future. Taking the time to frame a transition plan will help to ensure a smooth transition from old to new Board.

The OLBA has created a Legacy Document guideline (see Appendix A) and a template to follow (see Appendix B) to assist Boards with this process.

Submitted by,

Jennifer Jones
Library CEO

Contact Name:

Jennifer Jones

Phone: 705- 745-5382 Ext. 2370

Fax: 705-745-8958

E-Mail: jjones@peterborough.ca

Attached:

Appendix A – OLBA Legacy Document Guideline

Appendix B – OLBA Legacy Document Template

THE LEGACY DOCUMENT

The *Legacy Document* is a communiqué to the future leadership of the library. It provides an opportunity for the outgoing board to review its work over the past term; reflect on triumphs and strengths; and ponder fortunate opportunities and lost chances. Probing deeper, the board can contemplate how to overcome limitations and increase success in the future.

Ways to Use Your Library Board's Legacy Document...

1. A letter addressed to the future board

- a. To identify trends and issues that will face the library in the coming years and assist the new board during its transition
- b. To reinforce continuity which is critical to a smooth transition and ultimately, to board success.

2. An advocacy tool

- a. Share it with Municipal Council prior to appointment of the new board
 - “Looking for your support in renewing our library board. These are the issues that the library board faces in 2010....”
 - To achieve excellence in library leadership in our community, these are the skills that we would like you to consider as you appoint the new library board...”
- b. Promote library board membership to interested and qualified candidates
- c. Highlight the library in an election year by giving a copy to electoral candidates

What Your Board's Legacy Document Should Cover...

1. The library and its community partners

- a. Provide a synopsis of how the library and board are viewed by key partners.
 - How does the community describe the library?
 - How has the library aligned with Council over the term?
 - How do other community partners view the library?

2. Issues/areas of concern faced by the board during its current term

- a. Describe those issues that the board believes will carry over to the next term.
- b. Identify what the board did during the term to deal with the issue or concern.
 - What was accomplished? Not accomplished?
 - Was the board able to take advantage of any fortunate opportunities? *e.g. good positioning for a special grant; a well-matched partnership*
 - Did the board miss out on such a chance? How could the board avoid missing out again?

3. Leadership growth over the term: CEO; Board Chair; Entire Board

- a. Reflect on how the CEO and the board, as individuals and a team, were instrumental in building their respective skills and strengthening their leadership capacity

NOTE: *Governance as Leadership & My Library Leadership Capacity Checklist* may be helpful *Leadership by Design* references when completing this section.

4. Challenges facing the new board during the coming term

- a. Suggest where emphasis might be placed to address challenges
- b. Suggest what governance and leadership skills are needed

5. Wishes for the new board's success

Public Library Board Legacy Document September 2010	
Our library and its community partners	The COMMUNITY sees our library as...
	MUNICIPAL COUNCIL views our library as...
	Other key COMMUNITY PARTNERS view the library as...
Major governance issues faced during our term (2006-2010)	The LIBRARY BOARD faced these major governance issues...
	We were able to accomplish ...
	We were NOT able to accomplish...
	We can foresee these opportunities to address issues that remain outstanding...
Our leadership	We believe that our board is a strong community leader because...
	We see that the board could be even stronger in its leadership if...
Challenges for the new board	We suggest that these issues are major challenges for the new board to tackle as a priority...
	We request Council's attention to the library issues that prevail and qualifications to consider in making appointments to the new library board
Our wishes for the new board's success	



**Peterborough
Public Library**

To: Library Board of Trustees
From: Jennifer Jones, Library CEO
Meeting Date: June 26, 2018
Subject: Report PPL18-039
Library CEO Report June 2018

Purpose

A report to inform the Library Board of Trustees on general matters concerning Library operations and services.

Recommendation

That the Library Board approve the recommendation in Report PPL18-039 dated June 26, 2018, of the Library CEO as follows:

That the report be received for information.

Budget and Financial Implications

There are no budget or financial implications resulting from the approval of the recommendation of this report.

Background

Partnerships

The children's staff began spending the funds received from The Healthy Kids Community Challenge grant on new board games and materials for maker boxes. These will be rolled out throughout the summer, encouraging children and their parents to come into the library to “power off and play”.

Computers and software

The bandwidth level has been increased at the Library, and we have seen an increase

in service levels. There have still been some challenges with the Useful computers, but staff continue to troubleshoot the issues to resolve them.

Once our internet issues are resolved, we will look into wireless printing to respond to patron requests/needs.

Training

The acting Children's services librarian attended a workshop in Bradford put on by the Southern Ontario Library Service on the topic of Babytime programs in libraries. The material presented was excellent and it provided a wonderful opportunity to interact with other library staff who offer programs to our youngest patrons.

Programs & Statistics

Public computer use: 3,688

Wifi Use: 1,572 unique connections

Reference questions: 4,809 (up 35% from last year)

Interlibrary Loans transactions: 353

Drop in story time = 4 programs, 210 participants

Baby Sing and Play = 4 programs, 87 participants

After school club = 4 programs, 45 participants

PJ Storytime = 1 program, 7 participants

Tours = 2 Children's, 77 participants – 3 Adult, 20 participants

Loaded electronic records = 2306

Loaded regular records = 480 items

Adult programs = 8 programs, 71 participants

Collections

The new children's topical picture book collection is now all out and available on the shelf. Individual topical spine labels have been created to identify the items. Staff have also included a small collection of local artist music CDs into our local author collection.

Submitted by,

Jennifer Jones
Library CEO

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**Peterborough
Public Library**

To: Peterborough Public Library Board of Trustees

From: Jennifer Jones, Library CEO

Meeting Date: June 26, 2018

Subject: Report PPL18-037
2018 Holiday Operating Hours

Purpose

A report to seek approval to adjust the Library hours of operation during the 2018 holiday period.

Recommendations

That the Library Board approve the recommendations outlined in Report PPL18-037 dated June 26, 2018, of the Library CEO as follows:

- a) That the Library hours of operation at the Main branch be adjusted to 10:00 a.m. To 5:00 p.m. for the dates of December 27 and December 28, 2018;
- b) That the Main branch be closed early, at 1:00 pm on Monday December 24, 2018 and Monday, December 31, 2018, in accordance with the CUPE 1833 collective agreement; and,
- c) That the library CEO be given the authority to adjust library hours during the holiday closure period in line with operational needs and the appropriate articles in the CUPE 1833 contract on an annual basis without Board approval.

Budget and Financial Implications

There is no budget or financial implication resulting from the approval of the recommendations of this report.

Background

The Library typically adjusts its operating hours during the last week of December, between the Christmas and New Year's holidays to accommodate the reduced amount of traffic seen in the library in the evening hours during this time period by closing at 5:00 p.m.

The Library will observe the statutory holiday for Christmas on Tuesday December 25, 2018, for Boxing Day on Wednesday December 26, 2018, and for New Year's Day on Tuesday January 1, 2019.

The CUPE 1833 Collective agreement, Article 16.01 (captured below) lists the recognized paid holidays and states that there shall be an additional half day on the last working day prior to Christmas and New Years as a paid holiday. On these dates the library would be open to the public from 10:00 a.m. -1:00 p.m.

January 1, 2016 - December 31, 2019

Article 16 - Holidays

16.01 Holidays - Full-Time Employees

(a) The Employer recognizes the following as paid holidays:

New Year's Day	Peter Robinson Day (Civic Holiday)
Family Day	Labour Day
Good Friday	Thanksgiving Day
Easter Monday	Remembrance Day
Victoria Day	Boxing Day
Canada Day	Christmas Day

In addition to the above any other day proclaimed as a holiday by the Federal, Provincial or Municipal Government. There shall be an additional one-half ($\frac{1}{2}$) day, (3.5 hours, 4 hours for Custodian and Caretaker) paid holiday to be taken the last working day prior to Christmas, and one-half day (3.5 hours, 4 hours for Custodian and Caretaker), paid holiday to be taken the last working day prior to New Years.

Submitted by,

Jennifer Jones
Library CEO

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