

# from the Board Table

## Intro

On March 28th, Vancouver Island Regional Library Board of Trustees convened for the first regular meeting of 2015. On the agenda, the Board of Trustees received a finance report presentation as well as a review of the 10-year Facilities Master Plan, which is currently in its 6th year. The Board also received a facilities report, an update on the development of the next strategic plan (taking place in 2015), and a performance indicators update for the quarter. In addition, the Board-approved exempt salary review, a 2015 initiative, was presented. As the first quarter of 2015 represents a busy time of the year for BC libraries, with exceptional programming opportunities and community initiatives, a highlights section was presented to the Board and is included within this newsletter.

## Exempt Salary Review



In the spirit of responsible spending and to ensure that staff salaries are comparative to industry standards, the Board has approved a salary survey review by an independent contractor. The Chair and Director of Human Resources will report the results and bring recommendations to the Board of Trustees for review, following the award of the contract.



*Family Literacy Day Community Celebrations  
(Image Credit: CHRIS BUSH/The News  
Bulletin, [http://www.nanaimobulletin.com/  
news/290130991.html](http://www.nanaimobulletin.com/news/290130991.html))*

# Finance Report

Results to February 2015 are presented for information. These reports do not follow the same format as annual audited statements as the focus is more on day to day operations. VIRL's Revenues however are very predictable and therefore are accurately represented.

VANCOUVER ISLAND REGIONAL LIBRARY		Statement 1
OPERATIONS FUND BALANCE SHEET (UNAUDITED)		February 28, 2015
<b>Current Assets</b>		
Cash		841,880
Investments - Operating Fund		5,842,284
Accounts Receivable		81,445
Accounts Receivable - Other		84,777
Inventory - Book, Map, Video, etc.		5,250
Prepaid Expenses		13,820
<b>Total Current Assets</b>		<b>6,979,466</b>
<b>Fixed Assets</b>		
Buildings	18,748,345	18,748,345
Accumulated Amortization - Buildings	(2,552,474)	16,195,871
Furniture and Equipment	6,202,891	6,202,891
Accumulated Amortization - Furniture and Equipment	(2,282,222)	3,920,669
Computer Equipment	3,702,979	3,702,979
Accumulated Amortization - Computer Equipment	(1,784,787)	1,918,192
Vehicle	182,219	182,219
Accumulated Amortization - Vehicle	(249,812)	132,407
BOOKS	1,843,396	1,843,396
Accumulated Amortization - Books	(2,822,290)	921,106
Operational Improvements	1,987,247	1,987,247
Accumulated Amortization - Operational Improvements	(958,242)	1,029,005
WORK IN PROGRESS		81,882
Other		68,263
<b>Total Fixed Assets</b>		<b>28,832,908</b>
<b>TOTAL ASSETS</b>		<b>35,812,374</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable		389,974
Wages & Salaries Payable		4,842,238
Prepaid Member Loans		346,513
Operating Expense Fundraising		24,791
Capital Expense Fundraising		117,853
Revenue		(4,821,894)
PPFA Long Term Debt		(2,024,420)
<b>TOTAL LIABILITIES</b>		<b>23,945,879</b>
<b>SURPLUS &amp; EQUITY</b>		
Reserve		
Operating Surplus		(22,246,388)
Capital Surplus		(11,822,612)
<b>Total Surplus</b>		<b>(34,069,000)</b>
<b>Equity in Assets</b>		<b>1,743,374</b>
<b>TOTAL SURPLUS &amp; EQUITY IN ASSETS</b>		<b>1,743,374</b>
<b>TOTAL LIABILITIES, SURPLUS &amp; EQUITY</b>		<b>25,689,253</b>

**Balance Sheet:** Member levies are billed quarterly but recognized monthly.

As such, at the end of February an amount of \$249,713 that had been received from members but not yet recognized as revenue is shown on the balance sheet as prepaid member levies. Refundable deposits represent sureties given related to Nanaimo North for landscaping. Accounts receivable is primarily GST. As always we hold small inventories of promotional sale items. The current year position shown in the surplus/equity section is acceptable. This statement also reflects capital accounts in order to deal with amortization as required by the PSAB 3150. This accounting standard is mandatory. Approximately \$16.25 million of our \$42.18 million in assets have been amortized. The cost to replace those assets will be significantly above the original cost due to inflation. Long term plans need to provide funding for these replacements. We are now in year five of a ten-year funding requirement. Work in Progress consists of expenditures against the Nanaimo Harbourfront project which were incurred in 2014 but will be capitalized upon completion of the project.

Regular replacement of our base materials puts VIRL in a relatively good stance for the future.


**In summary:** At the end of February the balance sheet shows a reasonable balance of cash and investments reflecting the fact that we continue to have reserves.

**Revenue and Expenditures:** Significant items affecting the current position of \$(418,814) include:

- Several significant expenditures are incurred at the beginning of each year representing costs on an annual basis. As a result several expenditure categories appear to be high at the beginning of each year due to these up-front payments, including the following:
  - Computer Costs due to software licenses and maintenance agreement costs being expensed at the beginning of the year;
  - Insurance costs being incurred at the beginning of the year for the entire year's coverage; and
  - Materials acquisitions that are received in the new year.

“VIRL’s finances indicate that results are in-line with expectations.”

# Finance Report (continued)



Board of Trustees Meeting  
March 28, 2015  
Item 5 (b)

**Vancouver Island Regional Library**  
Reserve Balances as at February 28, 2015

#60100-2225 Reserves for Furnishings and Equipment	
Previous Year Balance	56,594
	Interest earned
	128
	Contribution into reserve
	Drawdown for expenditures (budgeted as portion of FF&E less)
Dec Balance	86,722

This reserve is for the replacement of more expensive furnishings and equipment in the branches and Administration, primarily photocopiers and printing equipment.

#60100-2226 Reserves for Outfitting New/Expanded Facilities	
Previous Year Balance	2,466,476
	Interest earned
	3,647
	Contribution into reserve
	Drawdown for expenditures
Dec Balance	2,472,123

This reserve is used to purchase shelving, furnishings, and equipment for new and upgraded branches on the Long-Term Facility Plan. A comprehensive facility plan was developed that requires greater funding. The 2015 budget includes planned contributions of \$1,279,399 to the reserve and drawdowns of \$1,717,185 to meet planned capital, debt servicing and facility expenditures.

#60100-2227 Reserves for Vehicle Replacement	
Previous Year Balance	76,675
	Interest earned
	133
	Contribution into reserve
	Drawdown for expenditures (budgeted \$38,202)
Dec Balance	76,788

This reserve is for the replacement of the library's vehicles. It allows for the replacement of vans and trucks as required. Practice is to replace at 10 years or 300,000 kilometers, whichever occurs first. VIKL maintains a fleet of vehicles of which two were replaced in 2010 with one replaced in each of 2011 and 2012. One vehicle remains to be replaced in 2015; however this has been deferred until 2017 as it is low mileage.

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## Revenue and Expenditures continued:

- At the end of February, \$226,506 in reserve funded expenditures had been made. The corresponding draws from reserves have not yet been recognized.
- The Harbourfront renovation project is now in the tendering stage and work is expected to commence in the spring.
- Renovations are currently in the planning process for the Campbell River branch.
- Renovations are currently in the planning process for the Port Hardy branch.
- Office, Photocopier and Supplies is slightly under budget.

**In summary:** The February financial results reflect the timing of certain expenditures that typically occur at the beginning of the year, such as insurance, software licenses and purchases of library materials. Other operating expenditures are in line with expectations.

**Reserves Report:** Subsequent to the Annual General Meeting on January 24th a contribution to the Reserve for Long Term Maintenance was made of \$345,610 representing unspent facilities funds at year end, and a drawdown on the Reserve for Systems and Network Replacement of \$40,362 for equipment purchased in 2014 that had been budgeted to be funded via the reserve. Interest earned is credited to each reserve as it is received.

**In summary:** Reserves as at February 28, 2015: \$ 4,563,894

# Facilities Updates



*Gabriola Island Branch, Entrance Area*

## Sooke

VIRL Trustee for the District of Sooke, Kerrie Reay, made a motion that VIRL staff prepare a report to the Board to initiate an RFP process. The RFP would seek interest from the development community in Sooke for land provisions and the construction of a new library.

## Chemainus

The Board awaits written confirmation regarding North Cowichan's preferred site and if land will be donated in a ready state. Current options include the old firehall site or a multi-use site that consolidates two lots.

## Nanaimo Harbourfront

Revitalization of the Harbourfront branch begins in early April. A temporary branch location has been established to assist customers with the 6-month transition.

## Tofino

The District has indicated that it will be undertaking a Civic Centre feasibility study, which includes the addition of a new library. VIRL awaits the results of the study.

## Tahsis

In November, 2014, the Board requested that the Village of Tahsis undertake an engineering study and provide the Board with the results by May 15, 2015, to identify and rectify existing deficiencies. The Board also carried a motion that VIRL staff develop a service delivery plan for Tahsis that blends electronic resources with branch-supplied services.

## Port Hardy

The planning process has started for the revitalization of Port Hardy. A public consultation will be scheduled in the near future.

## Sidney/North Saanich

The borrowing model (funding) has been established and VIRL staff have reviewed the proposed site at the Panorama Recreation Centre. VIRL awaits a letter from North Saanich Council stating their desire to proceed.

## Campbell River

The Campbell River branch will be receiving internal branch improvements in 2015, including painting of the interior.

## Hornby Island

With support of grant funding, the Hornby Island branch is receiving accessibility upgrades and a light refresh, as well as addressing building deficiencies.



# General Updates

**Strategic Planning Process - Update:** The strategic plan provides the catalyst that brings the public, the Board and staff together in the development of a common vision, direction and goals. Further to that, a clear strategic plan will provide useful information for the development of financial planning. With the 2011-2015 Strategic Plan coming to a close, an RFP for a consultant was let at the end of 2014 to begin the next strategic planning process. Following selection of the consultant, a series of public consultation activities will take place in every member jurisdiction. An online questionnaire will also be available on the VIRL website, as well as hard copies, which will be available at every service location.

**2015 BC Library Trustees Association Conference:** The BC Library Trustees Association (BCLTA) Conference is an annual event held in conjunction with the BC Library Association Conference. This year, the BCLTA Conference sessions are scheduled for Friday, May 22 and Saturday, May 23 in Richmond, BC. The Board approved participation of Vancouver Island Regional Library Trustees at the BCLTA Conference and that the Chair and two members of the Executive Committee attend. Chair and trustee attendees will be lobbying for support for public libraries, including funding at the provincial level.



Read more: [virl.bc.ca/board](http://virl.bc.ca/board)

# Program Highlights

## Score with Reading

**The Puck Dropped with Nanaimo Clippers and VIRL in Score with Reading (January 12th).** The BCHL Clippers hockey team and the Nanaimo Harbourfront Library paired up for story reading and open street hockey. Score with Reading is a Vancouver Island Regional Library program that engages young and reluctant readers. The purpose of Score with Reading is to emphasize the importance of balancing physical activity and literacy.



## Family Literacy Day

**Canadian Families Encouraged to Spend 15 Minutes of Fun (January 27th).** Family Literacy Day is promoted by ABC Life Literacy Canada, a non-profit organization that inspires Canadians to increase their literacy skills. Every year, Vancouver Island Regional Library celebrates with at-branch events and programs, as well as promoting its family-centered resources including online Homework Help, games and magazines, as well as new books - online and in print.



## Freedom to Read Week

**Celebrating Canadians' Right to Information (February 22nd-28th).** Freedom to Read week is an annual event that encourages people to reaffirm their commitment to intellectual freedom, which is guaranteed under the Charter of Rights and Freedoms. Vancouver Island Regional Library is celebrating Freedom to Read week and supporting the right of information across its branches with multiple events and offering "challenged works" on display. To learn more, visit [virl.bc.ca/ftw](http://virl.bc.ca/ftw).



## Teen Tech Week

**Teens Everywhere Invited to Showcase their Creativity (March 8th-14th).** Teen Tech Week, supported by the American Libraries Association, is when libraries make the time to showcase all of the great digital resources and services that are available to help teens succeed in school and prepare for college and 21st century careers. Participating branches of Vancouver Island Regional Library will be offering a host of resources for teens during the week.



# VIRL In the News



## Black History Month

February is Black History Month and celebrations are underway at Nanaimo Vancouver Island Regional Library branches (February 3, 2015). (Image Credit: The Nanaimo News Bulletin, <http://www.nanaimobulletin.com/entertainment/290677131.html>)

## Freedom to Read Week Celebrated

The Vancouver Island Regional Library will be celebrating Canadians' freedom to read next week. A number of events will be held in honour of Freedom to Read Week, which runs from Feb. 22-26. (February 18, 2015). (Image Credit: The Nanaimo News Bulletin, <http://www.nanaimobulletin.com/entertainment/292534111.html>)



## Family Literacy Day

Face painting, storytelling, bookmark making and music were part the activities scheduled for children and families during Family Literacy Day. (January 29, 2015). (Image Credit: CHRIS BUSH/The News Bulletin, <http://www.nanaimobulletin.com/news/290130991.html>)



## Score with Reading

A number of Nanaimo Clippers will be downtown next weekend as part of an event that promotes literacy and physical activity at Harbourfront Library. (January 21, 2015). (KARL YU/The News Bulletin, <http://www.nanaimobulletin.com/community/290804081.html>)



Read more: [virl.bc.ca/about-us/media-room](http://virl.bc.ca/about-us/media-room)