



## MEETING REMINDER

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This is to remind you of the Executive Committee meeting scheduled for **June 21, 2018, at 10 am** at Parkland headquarters.

If you cannot attend, please notify Kara at [operations@prl.ab.ca](mailto:operations@prl.ab.ca). She will send you any meeting materials that are handed out at the meeting.



Executive Committee Package

June 21, 2018

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# AGENDA

## Executive Committee Meeting

June 21, 2018

10:00 AM – 12:00 PM

**Meeting called by** Debra Smith, Board Chair

**Attendees:** Debra Smith, Janine Stannard, Dana Depalme, Ray Olfert, Bob Green, Jason Alderson, Steven Levy, Sharolyn Sanchez, Deb Cryderman, Kevin Ferguson

**Please read:**

**Please bring:**

## Topics

1. Acceptance of Agenda\*
2. Acceptance of the minutes of the May 10th, 2018 meeting\*
3. Action Item List\*
4. Proposed Budget 2019\*
5. Polaris Migration\*
6. Building Update
7. Adjournment
- 8.
- 9.
- 10.
- 11.
- 12.

## Additional Instructions:

\*Documents included in package.

**Executive Committee Meeting Minutes  
May 10, 2018**

Present: Debra Smith, Jason Alderson, Deborah Cryderman, Kevin Ferguson, Bob Green, Stephen Levy, Ray Olfert, Sharolyn Sanchez, Janine Stannard

Absent with regrets: Dana Depalme.

Staff: Ron Sheppard, Donna Williams, Tim Spark, Colleen Schalm

Meeting called to order at 10:07 a.m. by Smith.

1. Acceptance of the agenda

"Board Meeting Agenda" Item added after Item 4.

Motion by Stannard to accept the amended agenda as presented.

CARRIED

2. Acceptance of April 5, 2018 Executive Committee Minutes

Motion by Green to approve the April 5, 2018 minutes.

CARRIED

3. Review of the Action Items

Sheppard reviewed the Action Item List.

Motion by Levy to receive the Action List update for information.

CARRIED

4. 2019 Budget Projections

Sheppard reviewed the 2018 draft budget projections. Administration was directed by the Executive Committee at their April 5 meeting to prepare a budget for 2019 with no more than 3.3% increase.

The 2019 budget is built around certain assumptions and priorities. They include that materials allotment will not be reduced and will remain at \$1.13 per capita. Staff will receive a COLA increase and step increase to their wages in 2019 in compliance with Parkland's Compensation Policy. Libraries have been requesting additional eContent but the Executive Committee felt that funding additional eContent was something the budget would not bear. The Executive committee did not support cost sharing eContent with the libraries. Finally due to information received from the Government of Alberta, Parkland will continue to use a minority portion of the First Nations grant (\$4.70 per capita) to fund operations with a majority portion calculated at \$5.55 per capita to be utilized directly for the provision of First Nations library services.

Two budget scenarios were presented. One required an increase in the requisition of 1.6% or thirteen cents. The other scenario which included additional eContent licences required a 3.3% increase or a twenty-seven cent per capita increase in the requisition.

After much discussion, the Executive Committee believed that the municipalities would not accept a 3.3% increase to the requisition and so endorsed the budget with the 1.6% increase.

Due to the possible move to a new building and uncertainties about the future allocation of the First Nations grant, staff were instructed not to develop budget projections for 2020 and 2021 since there are variables that would make anticipating the budget very difficult.

Motion by Levy to recommend to the board the budget with a 1.6% increase in the requisition for 2019.

CARRIED

The Executive committee wants an agenda item added to the May 24<sup>th</sup> board meeting for feedback on a requisition increase of 1.6%. The Executive Committee confirmed that staff are to prepare a 2019 budget only.

A break was taken at 11:40 a.m. to 11:45 a.m.

Colleen Schalm and Tim Spark left the meeting at 11:40 a.m.

Meeting called back to order at 11:45 a.m.

5. The agenda for the May 24<sup>th</sup> board meeting was discussed, and a number of amendments were made to the tentative agenda.

A lunch break was taken at 11:55 a.m. to 12:30 p.m.

Ferguson left the meeting at 12:30 p.m.

Meeting called back to order at 12:35 p.m.

6. Clarification of PRL's Building RFPs.  
Motion by Stannard to go *"in-camera"* at 12:37 p.m.

Motion by Stannard to go *"out-of-camera"* at 2:28 p.m.

Motion by Sanchez that the Executive Committee recommend the board pursue the construction of a new headquarter building rather than a renovation.

CARRIED.

Motion by Sanchez that the Executive Committee recommend that the board select proposal #F as the successful bid for a new building for Parkland Regional Library.

CARRIED.

7. Adjournment

Motion by Sanchez to adjourn the meeting at 2:35 p.m.

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Chair



**Parkland Regional Library**  
 Cooperation ■ Innovation ■ Service

June 21, 2018  
 Action Item List

**Executive Committee Meeting**

<b>Action</b>	<b>Responsibility</b>	<b>Status</b>
<b><i>October 12, 2017</i></b>		
Develop a cost formula/model for the Parkland Board to charge municipalities for PRL to operate their library service points.	Administration	Not yet commenced
Create versions of outlet policies that allow for the Parkland Board to govern additional library service points.	Administration	Not yet commenced
Create a list showing what municipalities would lose if they withdraw from the system.	Administration	Not yet commenced
<b><i>April 5, 2018</i></b>		
Logo Vendor Selection/Design	Briana	Ongoing -Edge Marketing and Design was selected -Initial meeting held on Friday June 1 -Design profile by mid month

## Executive Committee

### Agenda Item Submission

**Agenda Item:** 4 – Budget Projections for 2019

**Submitted by:** Ron Sheppard

**June 21, 2018**

#### 1. Issue

Budget Projections for 2019

#### 2. Explanation

As ever, the Parkland budget is very conservative with respect to operations. Income is estimated at its lowest level and expenditures are estimated at the maximum level. Some points to note from the 2019 draft budget include:

- The provincial operating grant for systems is estimated using 2016 population figures and calculated at the current rate of \$4.70 per capita (line 1.1).
- The First Nations Grant is assumed to continue. Also using 2016 population figures, the grant is calculated at \$10.25 per capita (line 1.2).
- It is assumed the rural library service grant will also be issued at \$5.55 per capita using 2016 population figures (line 1.4).
- Materials Allotment is being calculated at \$1.13 per capita (line 2.2).
- eContent platform fees have been increased slightly due to an upgrade we obtained for one of our licensed resources (Novelist).
- In Compliance with expectations from the Government of Alberta, a First Nations Provincial Grant expense line has been created as a separate pool of funds to spend on First Nations activities (line 2.6). This grant is calculated at \$5.55 per capita and corresponds to line 1.2 under "Income" from which line 2.6 derives its funding.
- The eContent line (line 2.17) has been reduced significantly since Parkland has drastically cut funds supporting the government sponsored streaming media resource hoopla.
- Large Print has been reduced slightly to reflect decreased demand (line 2.18).
- The Building – Repairs/Maintenance line has been reduced substantially simply because staff have reassigned the cost of carpet cleaning, window cleaning, and other custodial type activities to line 3.9, the Janitorial/Outdoor maintenance expense line.
- As discussed at previous meetings, salaries will go up a step for most staff plus a consumer price index increase in compliance with Parkland's Compensation Policy (line 3.13).



- The Benefits line (line 3.14) has also increased proportionately to the salaries line (line 3.13) since benefits are calculated in relation to wages.
- Overall, PRL only anticipates increasing the per capita requisition to municipalities by \$28,385.24 over our 218,348 service population. This equals a thirteen cents per capita increase or a 1.6% increase in the requisition.
- Provincial grants amount to approximately 45.5% of PRL's total income.
- Of the 2019 budget expense lines, 19 lines remained the same compared to 2018, 11 went up, 8 went down, and 1 was new.

Also included in your package is the proposed Budget Supplement which contains the anticipated movement of funds to and from reserves. While to some the transfers to and from reserves might seem fairly simple to follow, they will be explained in detail at the June 21<sup>st</sup> meeting. Reserve fund activity is a "best guess" at this point due to the new building project and a possible migration to a different integrated library system.

### **3. Proposed Motions/Recommendation(s)**

The Executive Committee recommends that the Parkland Board approve the 2019 budget as presented.

**Proposed 2019 Budget  
PARKLAND REGIONAL LIBRARY**

Present  
Budget

		2018	2019
<b>Income</b>			
1.1	Provincial Grants	990,831	990,831
1.2	First Nations Grant	109,624	109,624
1.3	Membership Fees	1,711,794	1,801,371
1.4	Alberta Rural Library Services Grant	428,738	428,738
1.5	Interest Income	27,000	27,000
<b>TOTAL Income</b>		<b>3,267,987</b>	<b>3,357,564</b>
<b>Support Materials &amp; Services Directly to Libraries</b>			
2.1	Alberta Rural Library Services Grant	428,738	428,738
2.2	Allotment Funds issued to Libraries	239,125	247,637
2.3	Cataloguing Tools	4,000	3,800
2.4	Computer Maint. Agree. Software licenses	164,081	167,739
2.5	eContent Platform fees, Subscriptions	18,250	22,000
2.6	FN Provincial Grant expenses		59,357
2.7	Freight	7,500	6,500
2.8	Internet Connection Fees	10,800	10,800
2.9	Member Library Computers Allotment	63,245	65,504
2.10	Outlets - Contribution to Operating	800	800
2.11	Periodicals	1,975	2,000
2.12	Postage Reimbursement	7,000	7,000
2.13	Supply purchased Cataloguing/Mylar	25,000	25,000
2.14	Vehicle expense	37,000	43,000
2.15	Workshop/Training expense	15,000	15,000
<b>PRL Circulating Collections</b>			
2.16	Audio Book	5,000	5,000
2.17	eContent	80,600	57,400
2.18	Large Print	13,000	10,000
2.19	Programming Box	750	1,000
2.20	Reference	6,000	6,000
<b>TOTAL Support Materials &amp; Services Directly to Libraries</b>		<b>1,127,864</b>	<b>1,184,275</b>
<b>Cost of Services</b>			
3.1	Audit	16,200	16,200
3.2	Bank expenses	1,500	1,500
3.3	Bank Investment Fees	4,500	4,500
3.4	Building-Repairs/Maintenance	28,000	17,000
3.5	Communications/Marketing/Advocacy	5,000	5,000
3.6	Continuing Education	20,000	20,000
3.7	Dues/Fees/Memberships	11,500	11,500
3.8	Insurance	13,750	13,750
3.9	Janitorial/Outdoor maintenance expense	29,500	34,500
3.10	Photocopy/Printing	9,000	7,000
3.11	Postage	5,000	5,500
3.12	Promotion/Trade Shows/Publicity	6,500	6,500
3.13	Salaries	1,537,027	1,572,169
3.14	Salaries - Employee Benefits	338,146	348,170
3.15	Supplies/Stationery/Building	30,000	30,000
3.16	Telephone	12,500	11,000
3.17	Travel	15,000	12,000
3.18	Trustee expense	22,000	22,000
3.19	Utilities	35,000	35,000
<b>TOTAL Cost of Services</b>		<b>2,140,123</b>	<b>2,173,289</b>
<b>TOTAL Expenses (library materials &amp; cost of service)</b>		<b>3,267,987</b>	<b>3,357,564</b>
<b>Surplus/Deficit</b>		<b>0</b>	<b>0</b>
<b>AMOUNT PER CAPITA REQUISITION</b>		<b>8.12</b>	<b>8.25</b>

Parkland Regional Library  
Budget Supplement - Movement of Funds - 2019

Explanation points to the 2019 Budget dealing with Capital Assets, Amortization and Reserves

In passing the budget you agree to the movement of funds between reserves and operating as defined below and based on policy.

Capital assets will now be purchased from reserves.

<b>1 MOVEMENT OF FUNDS FROM RESERVES TO OPERATING INCOME</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	
<b>Amortization Reserve</b>				
Anticipated funds required to cover current portion of amortization expense from Jan 1, 2009 forward <i>(actual amount will be affected by asset disposals during the year)</i>	\$48,603	\$0	\$0	<b>A</b>
<b>Vehicle Reserve</b>				
Anticipated funds required to purchase new vehicles <i>(actual amount will be based on exact purchase price in the year)</i>	\$0	\$35,000	\$37,000	<b>B</b>
<b>Technology Reserve</b>				
Anticipated funds required for Technology purchases <i>(May included Member libraries computers, wireless equipment, SuperNet CED units, PRL assets)</i> <i>(Estimated capital PRL assets - 2019, \$35,100)</i>	\$126,800	\$224,400	\$259,000	<b>B</b>
	<b>\$175,403</b>	<b>\$259,400</b>	<b>\$296,000</b>	
<b>2 INCOME FROM THE SALE OF CAPITAL ASSETS</b>				
Vehicle selling price <i>(actual amounts will be based on exact selling price in the year)</i>	\$0	\$8,000	\$8,000	<b>C</b>
	<b>\$0</b>	<b>\$8,000</b>	<b>\$8,000</b>	
<b>3 MOVEMENT OF FUNDS FROM OPERATING EXPENSE TO RESERVES</b>				
<b>Amortization Reserve</b>				
Residual Amortization anticipated - PRL assets <i>(actual amounts will be based on exact purchase amounts in the year)</i>	\$23,510	\$0	\$0	<b>B</b>
<b>Vehicle Reserve</b>				
Proceeds from the sale of vehicles <i>(actual amounts will be based on exact selling price in the year)</i>	\$0	\$8,000	\$8,000	<b>C</b>
<b>Technology Reserve</b>				
Budgeted for member library computers	\$65,504	\$65,504	\$65,504	
	<b>\$89,014</b>	<b>\$73,504</b>	<b>\$73,504</b>	
<b>4 CAPITAL ASSET EXPENSE ALLOCATION</b>				
Current year Amortization estimated - PRL Assets <i>(actual amounts will be based on exact purchase amounts in the year)</i>	\$11,590	\$0	\$0	<b>B</b>
Amortization expense anticipated from years (Jan 2009 forward) <i>(actual amount will be affected by asset disposals during the year)</i>	\$48,603	\$0	\$0	<b>A</b>
	<b>\$60,193</b>	<b>\$0</b>	<b>\$0</b>	
<b>5 Unrestricted Operating Fund - as needed to balance at year end</b>				
Current Amortization expense anticipated - from years previous to Dec 31, 2008 <i>(actual amounts will be based on exact disposals amounts in the year)</i>	\$17,525	\$16,755	\$16,034	

## Brief Notes – September 2019

### INCOME

- 1.1 The Operating grant is an estimate, based on announcement from the Public Library Services Branch (PLSB) calculated at \$4.70 per capita.
- 1.2 The First Nations grant for reserve residents is calculated at \$10.25 per capita
- 1.3 Estimated requisition to municipalities to balance budget
- 1.4 Estimate, based on announcement from PLSB and calculated at \$5.55 per capita
- 1.5 Held to reflect the anticipated returns on investments

### LIBRARY MATERIALS

- 2.1 Estimate, based on announcement from PLSB – see 1.4 above
- 2.2 Reflects allotment rate of \$1.13 per capita
- 2.3 Based on actual costs and reduced slightly from the 2018 amount
- 2.4 Line increased slightly to allow for the purchase of non-capital hardware and misc. IT items such as adapters, cables, and supplies. For software, subscriptions, maintenance agreements, ongoing website development, the Microsoft Office suite of software for PRL and member library computers, PRL's management of wireless networks
- 2.5 Line to pay for platform fees/subscriptions for eContent – increased slightly
- 2.6 This line reinstated due to PLSB priorities, the amount for 2019 is \$5.55 per capita to spearhead outreach activities and services to First Nations reserve residents
- 2.7 Reduced slightly based on actual costs
- 2.8 Held at 2018 amount
- 2.9 Based on current population at \$0.30 per capita
- 2.10 Held at \$800
- 2.11 Increased slightly to \$2,000– based on the last two years actual cost
- 2.12 Held at 2018 amount
- 2.13 Held at 2018 - used for purchasing library material processing items such as mylar book covers, cataloguing records, and multimedia cases
- 2.14 Increased to \$43,000 due to keeping the 2015 cargo van for additional van runs to member libraries - anticipated maintenance costs for four vehicles and fuel, using a 5 year review of actual costs
- 2.15 Held at 2018 level of \$15,000 used for projects for training library managers and staff, and library conference expenses

### PRL Circulating Collections

- 2.16 Held at the 2018 amount
- 2.17 Line reflects materials allotment for the purchase of eContent, reduced in 2019 due to the need to limit the cost of the hoopla streaming media service
- 2.18 Reduced in 2019 due to the trend of reduced use of the large print collection
- 2.19 Increased slightly to \$1,000
- 2.20 Held at the 2018 amount

## COST OF SERVICES

- 3.1 The fee for 2019 is an estimate using the 2018 amount of \$16,200 which does also include the annual legal letter required from PRL's lawyer for the auditor
- 3.2 Held at \$1,500 - to cover the cost of cheques and electronic banking services
- 3.3 Held at \$4,500
- 3.4 Reduced to \$17,000 – janitorial items such as window and carpet cleaning for the building have been moved to line 3.9 - based on five-year averages
- 3.5 Held at 2018 amount of \$5,000 – used to provide tools for marketing, advocacy and other initiatives for PRL and member library staff and boards
- 3.6 Held at \$20,000
- 3.7 Held at \$11,500 – to cover PRL's cost to belong to member organizations (e.g. LAA, ALTA, TAL, etc.)
- 3.8 Held at \$13,750 based on a 5 year review of actual costs
- 3.9 Increased to \$34,500 for additions from line 3.4 for janitorial building maintenance items – includes snow removal, yard maintenance, janitorial services and janitorial maintenance (carpet and window cleaning)
- 3.10 Reduced to \$7,000 based on usage over last three years
- 3.11 Increased slightly to \$5,500 – based on five year averages
- 3.12 Held at \$6,500
- 3.13 Increased to reflect predicted staff salary costs based on current staff levels and in compliance with the new compensation policy
- 3.14 Increased to reflect predicted staff benefits costs based on current staff levels
- 3.15 Held at \$30,000 used for - based on a five-year review
- 3.16 Reduced to \$11,000 - based on actual contracts
- 3.17 Reduced to \$12,000 - based on a five-year review
- 3.18 Held at 2018 level of \$22,000 - to support trustee activities
- 3.19 Based on five-year averages – held at \$35,000

## Executive Committee

### Agenda Item Submission

**Agenda Item:** 5 – Polaris Migration

**Submitted by:** Tim Spark

**June 21, 2018**

#### 1. Issue

While considering Parkland's ILS options has been going on for some time, staff were unsure of the financial viability of this project and so did not bring this undertaking to the attention of either the board or Executive Committee before now. Due to the building project, it would be far better to migrate to another ILS now rather than do so later. To wait too long could mean the ILS migration will be postponed until PRL has moved to its new building. For this reason staff are requesting reserve funds now.

#### 2. Explanation

### Introduction

Since the year 2002, PRL has been using the Horizon ILS software from the company SirsiDynix. Horizon is the database/application for the region's collection of items and borrowers. There are many components to an ILS system, the following is a simplified list of core functions:

- A repository of items and borrowers.
- Tracking the circulation of items to borrowers.
- Interface for borrowers to manage their checkouts, requests, holds, etc.
- Acquisition of new items.
- Cataloguing of items.
- Reporting of items, borrowers, circulation, etc.
- Integration into other systems such as the provincial inter-library loan service.

Periodically over the past 10 years, PRL staff have been discussing an ILS migration. Due to the unpredictable nature amongst ILS vendors and a lack of suitable ILS options, migrating to a new ILS was not viewed as a high priority for the region.

## Why migrate to a new ILS?

The region is using a system that was designed and implemented over 16 years ago. During this time, there have not been significant improvements made to the core of the Horizon system. While functionality has been extended over the years by purchasing add-ons from SirsiDynix, production of the add-ons is slow and they lack functionality when released.

A new system would provide the region with:

- A modern interface for patrons with new features.
- An improved interface for member library staff with enhanced circulation and reporting capabilities.
- Time savings for PRL staff in acquisitions and cataloguing.
- Improved item and borrower records.
- A system that is proactively developed and maintained, not only for today but for the future.
- A system that was developed specifically with consortiums in mind.

## Polaris ILS

For the past 4 months, PRL staff have been in contact with Innovative Interfaces Inc. (III) regarding their Polaris ILS. We have been reviewing features, cost, and just recently hosted two representatives from III who provided a thorough demonstration of their product. The Polaris software would satisfy basic and enhanced requirements for the region and provide us with the outcomes listed in the above section.

The PRL management team chose not to review any other software products except for Polaris, for these reasons:

- Compatibility with other public libraries in the province. Only systems from SirsiDynix and III are currently in use within Alberta.
- Many of the ILS products lack the necessary features and are designed for a standalone libraries only, not consortiums.
- Open sources systems would require significant staff time and further development, resulting in higher overall cost, both in the immediate and long-term future.
- The only two realistic options are products from either III or SirsiDynix.

## Summary

Over the past 16 years, staff have been able to make Horizon work for the region. However, it has become increasingly difficult and costly (both in software and staff time) to provide patrons and member library staff with the capabilities they expect in the year 2018. In fact, some libraries have started to complain about the functionality of the Horizon ILS. Unfortunately, due to Horizon's limitations, we cannot improve certain aspects of Horizon's performance.

At the present time, PRL is in a unique position in that we have both the resources and capability to migrate to a new ILS. Not many libraries have that option. This is an opportunity to move to a system that will allow us to better suit the needs of patrons in our communities while giving the region the ability to grow with the times and continue to integrate with other systems in Alberta and beyond. Migrating to a new ILS could also coincide with a new headquarters building, new logo, and in 2019, Parkland's 60<sup>th</sup> anniversary!

## Cost

Cost is naturally going to be a matter of concern. Based on five year averages, Parkland has been paying approximately \$74,000 per year to run Horizon. Polaris licensing will likely be at least \$10,000 more a year in ongoing costs. However, staff believe that this increase can be worked into the budget. As for one-time migration costs, they are estimated to be approximately \$200,000.

Staff plan on applying for a Community Initiatives Program (CIP) grant to help offset costs and is considering forgoing the purchase of computers in 2019 to help replenish the technology reserves. At present \$91,700 for the purchase of computers for member libraries is being budgeted for. No price quotes have been provided in your package because price negotiations are ongoing. Staff are confident that firm pricing will be available for presentation at the June 21<sup>st</sup> meeting.

### **3. Proposed Motions/Recommendation(s)**

To be determined.