

MARIGOLD REPORT



To Councils and
Special Areas Board

HIGHLIGHTS OF MARIGOLD BOARD MEETING

November 26, 2016

Marigold Library System Board met Saturday, November 26 in the Irricana Lions Community Hall.

Mayor Dennis Tracz provided greetings. He thanked Marigold for an impressive return on Irricana's investment and noted that Marigold provides value to the community. Chair Lynda Lyster welcomed new Board members Mae Fisher – Town of Black Diamond/Town of Turner Valley, Heather Meszaros – Town of High River, Shannon Simmons – Town of Irricana, Janine Jevne – Summer Village of Waiparous, and Leanne O'Connell – Village of Youngstown.

FINANCIAL

Marigold Library System unaudited Financial Statements to October 31, 2016 accepted for information. Marigold is in a positive financial position.

Marigold received unexpected revenue from the province for First Nations on-reserve populations (\$89,647) and a grant from PLSB for hoopla eResource for 2016 & 2017 (\$27,200). Marigold received additional from provincial grants based on 2015 population numbers instead of 2014 population as expected in the Marigold area.

RISE unaudited Financial Statements to October 31, 2016 accepted for information.

New centralized videoconference equipment purchased (\$63,605). These hardware changes, along with the IT Manager's plan for RISE going forward, will ensure that RISE stays viable for the foreseeable future.

Draft Marigold Operating Budgets for 2017 and 2018 accepted for information: The \$5,048,609 Budget Estimate for 2017 is 6% above last year's board-approved budget. In the preparation of this version of the draft budget, these are key considerations:

Expenditures calculated on a per capita basis with current service population include subscription fees for online resources, and the TRAC levy. With several more municipalities and population growth, there are increased service costs, such as extending delivery routes, increased insurance coverage, materials allocations and service grants.

Salaries and benefits: A 10% increase is projected to include staff salaries for several new positions because of higher populations and expanded services; salary grid step increases for eligible staff; a 1% annual base pay increase; increased benefit costs and a timely salary grid review.

Materials, processing, delivery: An 8% increase is projected. The largest portion of this is for eBook and digital purchases, especially hoopla titles. eBook and eResource costs set by US vendors are increasing faster than inflation. Delivery costs are expected to increase because of increased mileage, larger vehicles, carbon tax and more frequent trips to high volume libraries.

Transfer payments: A 2% increase to match projected population growth.

Admin, Board, building, supplies, vendor services and contracts: The 6% projected increase accounts for foreign exchange for content and services provided by US vendors; rising contract costs for local services (e.g. snow removal); maintenance fees for aging infrastructure; furniture replacement; insurance and shipping costs.

Computers, peripherals, licenses, network costs: A 5% decrease is projected, largely

because we are no longer paying for maintenance agreements on video-conference equipment. Internet capacity was increased to accommodate increased use of streaming of resources. Member libraries would like Marigold to replace the website platform to make it easier for member libraries to populate their own websites.

Consultation, programs, marketing: The budget includes provisions to improve the Member Libraries Workshop by changing venue, which will allow for a larger audience.

Draft Marigold Capital/Projects Budget 2017 accepted for information:

Expenditures in the coming year include delivery van replacement and a new logo and website platform for headquarters and member libraries.

For questions or comments regarding Marigold's budget, contact CEO Michelle Toombs: michelle@marigold.ab.ca

Policies reviewed/revised/approved by Marigold Board:

- ✓ Appointment Plan for Marigold Board Members
- ✓ Contingency Plan for Finance
- ✓ Finance Committee Mandate
- ✓ Marigold Board Procedural Bylaw
- ✓ Marigold Library System Constitution
- ✓ Service recognition Policy
- ✓ Videoconference Equipment, Library Services Points

www.marigold.ab.ca/PolicyAndPlanning

MARIGOLD BOARD ORIENTATION

February 11, 2017 @Marigold Headquarters
9:30 am to 1:00 pm
RSVP on or before February 7 to
nora@marigold.ab.cca

HIGHLIGHTS: PROGRESS MADE IN MARIGOLD HEADQUARTERS FEASIBILITY STUDY

Hank Brzezinski of BRZ Partnership Architecture Inc. delivered an overview of his findings to date:

- **Our 65 yr old bldg. at 9,000 sq.ft. is clearly inadequate** for the volume of activity, service expectations and safety standards.
- **Recommending a building of at least 20,000 sq ft** to serve 300,000+ Albertans in Marigold's 44 municipalities. Marigold is also a partner and service provider in TRAC with 180 libraries serving almost 1 million Albertans.
- **Most urgent need is for a larger shipping and receiving workspace**, which currently processes around 800,000 items in a space that is 9 x 9 sq ft. Single bay undersized garage means that staff are unloading and loading 3 delivery vans (one at a time) with an open garage door and often in the parking lot.
- **Property space needed is 2 acres minimum. Most ideal scenario:** buy land and build so that the move would be seamless. Cost estimated in the \$5 million to \$5.5 million range.

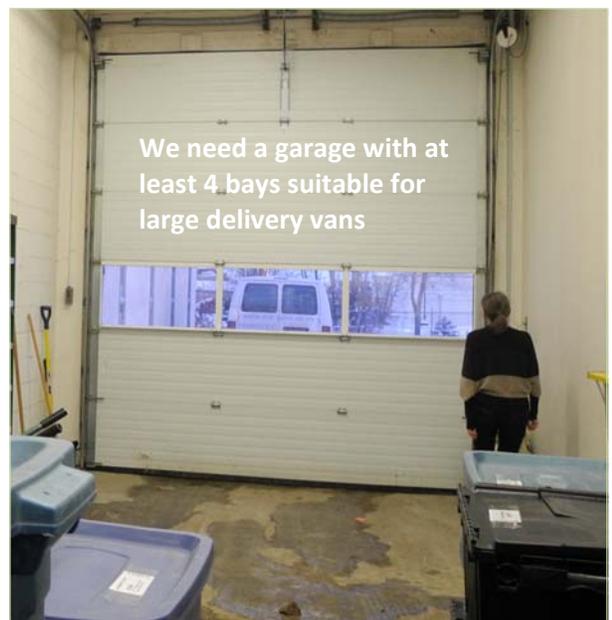
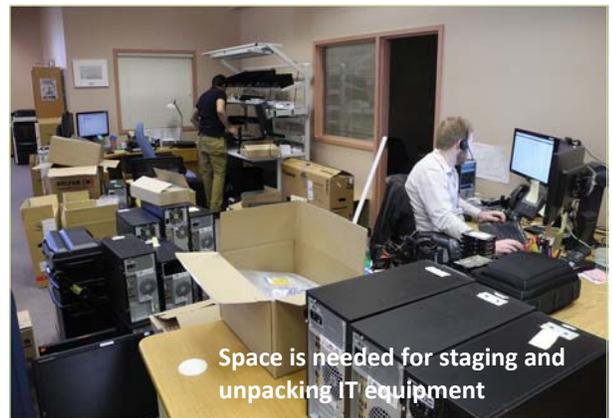
- **Moving into an existing building in Strathmore is not feasible** because there are no suitable facilities
- **Expanding on our current site is not the architect's recommended solution** because of these deterrents:
 - Phased transition would take about 14 months and would entail considerable disruption with power and IT services as well as shipping
 - Freight trucks backing onto a street next to an elementary school is not safe
 - No opportunity for future expansion, and limited space may not accommodate operational needs
 - Insufficient parking even with the purchase of an adjacent residential property

Brzezinski's final report is expected to be presented at Marigold's April AGM.

Savings for this venture are now at 1.9 million.

GROUP DISCUSSION INFORMS MARIGOLD'S STRATEGIC PLAN

All attendees commented on the discussion question *How can Marigold convince funders that there is an urgent need for a larger Headquarters facility?* Comments ranged from moving ahead with building renovations, to lobbying government for funds (which we have done and will continue to do), to increasing advocacy efforts to explain the value and relevance of regional library systems, to finding other sources of revenue. Generally, there was concern that municipalities also have money pressures. In the meantime, **Marigold provides value added service to 44 municipalities in an old, overcrowded and sometimes unsafe facility, as these pictures illustrate.**



UPDATES AND INFORMATION SCHEDULE C

Schedule C is the last page of the Marigold Agreement that lists the years and levy rates for three types of levies:

- municipalities without library boards
- municipalities with library boards
- library board levies

Schedule C with the levy rate changes for 2017 and 2018 passed as of October 25. At that time over 60% of municipalities had signed and over 60% of the population was represented. At the printing of this newsletter, Marigold has received signed Schedule Cs from all but two municipalities.

2017 FREEDOM TO READ WEEK Proclaimed by Marigold Chair

Member libraries, councils and residents are encouraged to Celebrate Freedom to Read Feb 26 — Mar 4. The proclamation will be sent to local library boards and councils early in January. www.freedomtoread.ca

UPCOMING BOARD MEETINGS

Saturday, January 28, 2017
Videoconference, 9:30 am

Saturday, April 22, 2017
AGM, at Strathmore Alliance Church,
9:30 am

Saturday, August 26, 2017
Okotoks, 9:30 am

Saturday, November 18, 2017
Drumheller, 9:30 am