

APPROVED

Finance Committee Meeting of the Board

Minutes



Date: Thursday, February 18, 2010

Time: 7:05-7:45 p.m.

Location: Central Branch Board Room

Members: Anna Larson (Ex Officio), Brett Herrington, Chris Nind, Lisa Csele, Peggy Phillips

Guests: Councillor Roger Lapworth

Staff: Charlotte Meissner, Lori Sims

Regrets: Maria Robinson

Brett Herrington chaired the meeting and Charlotte Meissner and Trish Sousadias acted as recording secretaries.

| Item | Page(s) |
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| 1. Attendance Peggy Phillips arrived at 7:10 p.m. Councillor Alan Johnston arrived at 7:15 p.m. | |
| 2. Approval of Agenda <i>MOTION: THAT the Finance Committee agenda be approved.</i> <i>FC10.02.10 Moved: Chris Nind Seconded: Anna Larson</i> Carried A brief discussion arose regarding the date of the next meeting. The Committee agreed to hold the next meeting from 7:00 p.m. to 8:30 p.m. on March 25 th (immediately before the Board meeting). Also at that Audit Committee meeting, after the KPMG presentation of the audited 2009 financial statements, the Town's internal Auditor Pierre Sauvageot will present his report and recommendations with respect to the results of his recently-conducted Internal Audit of the Library [Enterprise Wide Risk Management]. Charlotte informed the group that under New Business she will discuss the Halton Information Providers (HIP) Trust Fund. | |
| 3. Declaration of Pecuniary Interest – none | |
| 4. Election of Finance Committee Chair <i>MOTION: THAT the Finance Committee appoint Brett Herrington as the Chair for 2010.</i> <i>FC10.02.11 Moved: Anna Larson Seconded: Chris Nind</i> Carried | |

5. **Approval of Previous Minutes**

MOTION: THAT the Finance Committee approve the minutes of the January 20, 2010 meeting.

FC10.02.12 Moved: Chris Nind Seconded: Anna Larson
Carried

6. **Business Arising from the Minutes – none**

7. **Receipt of Draft Preliminary (Unaudited) Financial Statements dated December 31, 2009 [REVISED slightly from the report e-mailed Feb. 4, 2010 to the Board – updated reports attached]**

MOTION: THAT the Finance Committee receive the Draft Preliminary Financial Statements dated December 31, 2009 showing year-to-date expenditures of \$9,000,068.60 and a year-end surplus position of \$88,657.

FC10.02.13 Moved: Lisa Csele Seconded: Chris Nind
Carried

Charlotte explained that the Preliminary year-end position is within the forecasted range of \$75,000 - \$120,000, \$75,000 of which must be returned to the Town (benefits and Utilities.) \$88,657 is 1.07% of the Town Grant of \$8,215,100 and \$75,000 had been previously forecast which is .9% so the difference of \$13,657 (.17%) is the real variance. Acceptable variances can range between 2-3%.

The emergence of more “gapping” allowed the Summer Reading Program to be financed from the core budget instead of from the fundraising program (Development). This safeguards these fundraised money for 2010 use when they will really be required during a challenging budget year.

Fines were raised in 2009 but more Fines revenue was not achieved (low by \$20,000). Rates are increasing again in 2010. Charlotte will monitor all revenue stream activity and alert the Finance Committee if the budget will be threatened so that the Town can be advised early.

KPMG audit field work to begin February 24, 2010 for presentation to the Finance Committee and Board on March 25.

8. **Ten-Year Capital Forecast Revision**

MOTION: THAT the Oakville Public Library Board Audit Committee receive the revised Oakville Public Library Ten-Year Capital Forecast (2010-2019) dated Feb. 12, 2010.

FC10.02.14 Moved: Peggy Phillips Seconded: Chris Nind
Carried

The Draft Library Ten-Year Capital Forecast (2010 – 2019) dated October 6, 2009 was the last version given to the Board. This version showed a total of \$44,538,400. Charlotte indicated that the following changes had been made to the Ten-Year Capital Forecast by the Town Finance Department as a result of budget discussions:

- \$225,000 has been added to the 2010 budget to replace/repair the Woodside floor which has been heaving and cracking since the 1996 renovation work as a result of poor compaction; the Town's Capital Assets and Facility Management (CAFM) department will manage this project, along with several "accessibility barrier removal" items (e.g. retrofit of public washrooms; work will take approximately eight weeks and it is anticipated the work would occur January and February, 2011, with all planning, design and tendering happening in 2010.
- \$20,500 has been added to 2014 for "facility repairs", also to be managed by CAFM
- Of the total "New Main Library" project budget of \$19,288,100 during this period, \$5,188,100 has been deferred to 2020.
- The total "Palermo Branch" budget of \$8,272,100 has been deferred past 2019.

Therefore, the new draft of the Library's Ten-Year Capital Forecast (2010-2019) dated February 12, 2010, totals \$31,323,700.

Charlotte indicated that, during 2010, the Town will be repeating the Parks, Recreation, Culture and Library Master Plan (originally done by Monteith Brown Planning Consultants in June, 2006). This may result in further amendments to the Ten-Year Capital Forecast. The Town Finance Department will ensure that Development Charges criteria continue to be met as they relate to the financing of growth-related projects.

9. **NOTE: The Town will issue the first Financial Statements for 2010 as at February 28 which will be presented to the Finance Committee in March.**

10. **New Business**

MOTION: THAT the Oakville Public Library Board Finance Committee recommend the Oakville Public Library Board appoint Councillor Roger Lapworth as a member of the Finance Committee for the current term.

FC10.02.15 Moved: Peggy Phillips Seconded: Chris Nind

Carried

Charlotte explained that in 2006, the Board had authorized the Town to set up the "Halton Information Providers (HIP) Trust Fund" on behalf of the four partners which provide community information:

- Oakville Public library
- Burlington Public Library
- Information Milton
- Information Halton Hills

With Oakville Public Library as lead partner, the Trust Fund would provide duly diligent accounting and banking. The arrangement is covered by a Memorandum of Understanding. Although the fund balances are reviewed annually by the auditors, they have not deemed it appropriate to put a note in the audited financial statements.

A review is necessary at this point to ensure that the model and the trust fund continue to be relevant and effective, Charlotte and Lori will work with KPMG auditor Bryan Boles to conduct this review as part of the 2009 audit process.

11. **Adjournment**

MOTION: THAT the meeting of the Oakville Public Library Board Finance Committee be adjourned.

FC10.02.16 Moved: Chris Nind Seconded: Anna Larson

Carried