



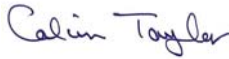
Kindale Public Library, Stephenville, NL

Annual Report

2013-14

Submitted by

**The Provincial Information
and
Library Resources Board**

<p>TABLE OF CONTENTS</p> <p>Cover.....page 1</p> <p>Table of Contents.....page 2</p> <p>List of Appendices.....page 2</p> <p>Letter from Chair.....page 2</p> <p>Board Structures.....page 3</p> <p> Provincial.....page 3</p> <p> Regional/Local.....page 3</p> <p>Organizational Overview....page 3</p> <p> Vision.....page 3</p> <p> Mission.....page 3</p> <p> Mandate.....page 4</p> <p> Lines of Business.....page 4</p> <p> Library Funding.....page 5</p> <p> Staff Complement.....page 6</p> <p> Library Locations.....page 6</p> <p> Partnerships.....page 6</p> <p>Operational Achievements.....</p> <p>.....page 7</p> <p>Report on Performance 2013 - 14</p> <p>.....page 10</p> <p> Issue: Library Services.....</p> <p> page 10</p> <p> Issue: Library Facilities.....</p> <p> page 15</p> <p>Opportunities and Challenges</p> <p>.....page 19</p> <p>LIST OF APPENDICES</p> <p>1. Board Members.....page 20</p> <p>2. Board Structures.....page 22</p> <p>3. Financial Statements.....page 24</p> <p>4. Staffing Complement.....page 25</p>	<p>PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD</p> <p>PROVINCIAL ADMINISTRATION DIVISION</p> <p>48 St. George's Avenue, Stephenville, NL A2N 1K9</p> <p>Honourable Darin King Minister of Education Department of Education P. O. Box 8700 St. John's, NL A1B 4J6</p> <p>August 5, 2014</p> <p>Dear Minister King:</p> <p>In accordance with the <i>Public Libraries Act</i> and the <i>Transparency and Accountability Act</i>, we are pleased to submit the Provincial Information and Library Resources Board's annual report for the operation of the Newfoundland and Labrador Public Libraries during fiscal year 2013-14.</p> <p>The mandate of the Provincial Information and Library Resources Board, as a category one government entity, is to provide public library and information services to the people of Newfoundland and Labrador. Public libraries have always been considered an important community service and while the use of libraries is changing, they still have a strong future. Instead of simply being repositories for print information, libraries now are used to access information for business and government programs, provide an early start for literacy development, provide resources for students, provide information for hobbyists, and as a space for programs or leisure reading. We want to build on the existing strengths of public libraries and expand library services so they can play a more important role in our communities.</p> <p>On behalf of the entire board, I offer our sincere thanks to all our local, divisional, and provincial board members, staff, partners and patrons who have contributed to or used our services during this past year. I also want to acknowledge the support we have received from the Department of Education and government. Your continued use of and support for our services are sincerely appreciated.</p> <p>This report was prepared under my direction and documents the activities and outcomes of the Provincial Information and Library Resources Board from April 1, 2013 to March 31, 2014 including our achievement of the goals outlined in our 2011-14 plan. The outcomes reported support the strategic directions of government and my signature below is indicative of the board's accountability for the actual results.</p> <p>Sincerely,</p> <p></p> <p>Calvin Taylor, Chair</p>
---	--

BOARD STRUCTURES

Provincial Information and Library Resources Board

The Provincial Information and Library Resources Board (PILRB - the board) is an independent organization established by the Government of Newfoundland and Labrador, under authority of the *Public Libraries Act*, to oversee the operation of the public library services in the province now commonly referred to as the Newfoundland and Labrador Public Libraries (NLPL - the organization). The organization has existed, in some form, since 1935.

The PILRB is a provincial board composed of representatives and alternates of regional library boards and appointees of the Lieutenant-Governor in Council. The provincial board has not less than 10 and not more than 15 members which include: (a) a representative from each regional library board appointed by that board; (b) the chairperson of the St. John's Library Board appointed by that board; and (c) up to six other members appointed by the Lieutenant-Governor in Council. The current board members, as of March 2014, can be viewed in Appendix 1.

Regional and Local Library Boards

The PILRB has 96 public library locations throughout the province. Each local library is operated by a local library board consisting of five to nine members, with the exception of the three libraries in St. John's which operate under the St. John's Library Board. A representative of each local library board is appointed to a regional library board, which assists the PILRB to ensure services and programs are consistent throughout the different regions of the province and aids in the development and implementation of policies. The structure of the boards is outlined in Appendix 2.

ORGANIZATIONAL OVERVIEW

Vision

A public library system that provides universal access to a full range of library services supporting personal growth, life-long learning and recreation while helping to connect people and communities.

Mission

By March 31, 2017, PILRB will have improved library services, facilities and equipment to enhance the library experience for the people of Newfoundland and Labrador.

Mandate

The mandate of the PILRB is outlined in the *Public Libraries Act*. It states:

6. (1) The provincial board shall establish and operate those public libraries in the province that it considers necessary and shall provide support to ensure that library materials, information and programs are available to meet the needs of the public.
- (2) The provincial board shall provide:
 - (a) a resource collection of selected materials in its provincial reference and resource library which shall be available to the various libraries in the province;
 - (b) a centralized cataloguing and processing service through its technical services department;
 - (c) library service to communities that do not have a local library through its books-by-mail service;
 - (d) centralized administrative services through its provincial headquarters; and
 - (e) other centralized services considered necessary by the provincial board.

Lines of Business

The PILRB offers a variety of services throughout the province available to individuals of all ages. While there is a desire to have all services offered from all sites, certain services are available only at select sites due to hours of operation, size of the facility and staffing allocations. The majority of the services are provided free of charge but some are subject to minimal fees.

Library services are available to all individuals holding a valid library card and, in some cases, to individuals without a library card. Library cards are provided free of charge although replacement cards cost \$2.00. With a valid library card, library patrons can:

- access information in a library;
- borrow materials;
- attend library programs;
- use public computers and access the Internet;
- access electronic resources remotely; and
- participate in outreach services.

Library activities have been grouped into three distinct lines of business:

1. Information Access

- a) Patrons can access information in print and electronic formats.
- b) Patrons can make queries, and/or access library catalogues and databases housed in libraries.
- c) Patrons can access in-house information (also available to persons without a valid library card.)
- d) Patrons can use public library computers.
- e) Patrons can utilize free wireless internet services (can be obtained in or adjacent to the library in selected sites.)

- f) Patrons can acquire assisted technology, emergent technology and new technology (at designated sites.)
- g) Patrons can access major collections, i.e. the Newfoundland and Labrador collection, special interest collections, and the Literacy Clearing House collection.
- h) Online services are available from within the library and from a computer at home or elsewhere.

2. Information Lending

- a) Public libraries lend print materials and, where available, materials in audio, visual and/or digital format.
- b) Patrons are free to use materials on site and, where available, can renew or reserve materials from home computers using their library card access number.
- c) Certain sites lend equipment such as digital cameras, laptop computers, etc.
- d) In selected areas of the province patrons can borrow books by mail or receive books via home reader services.
- e) Individuals can also obtain materials, through inter-library loans, from other libraries within or outside the provincial public library system.

3. Programs for Life-long Learning

- a) Any person can participate in library programs designed to address the needs and interests of all age groups, such as preschool story times, class visits, book clubs, special presentations, computer training, etc. These programs are intended to help improve literacy, promote culture, increase skills and knowledge or for simple enjoyment. Occasionally, outreach programs are also provided.

Library Funding

The public library system is funded, primarily, by the Provincial Government in the form of an annual operating grant. In 2013-14, the grant, excluding one-time funding transfers, was \$10,051,200, which represented a decrease of \$1,010,600 from 2012-13. This decrease resulted in the loss of:

- 17.5 positions (13.5 permanent and 4 temporary)
- \$120,000 in capital funding
- \$200,000 from the materials budget
- \$150,000 in substitute coverage
- 75 hours from 6 libraries
- Closure of the Western divisional office (office was relocated to the Corner Brook Library)
- All provincial funding for the Community Access Program (this was a federal-provincial program and federal funding ended in 2013).

Many municipalities regularly contribute to the operation of public libraries either by providing direct funding or in-kind contributions. The actual funding provided in 2013-14 was low

(\$64,000) considering the number of communities in the province, but the in-kind contributions were significant. These in-kind contributions in the form of free or low cost rent, snow clearing, maintenance, etc., which are not included in the budget figures, were estimated to exceed \$1,000,000. The remainder of the PILRB funding was self-generated from fines, fees for service and donations. The total PILRB operating and capital budget for 2013-14 was \$10,879,504 which takes into account the reduction in Community Access Program funding.

The PILRB's fiscal position is audited annually by the Office of the Auditor General. The Auditor General's report and the PILRB's audited financial statements for 2013-14 are attached in Appendix 3.

Staff Complement

As of March 31, 2014 the PILRB had a total staff complement of 195 full and part-time permanent employees (178 female and 17 male) and 157 substitute employees (148 female and 9 male). Substitutes are casual employees who are called to work when permanent staff members take leave. There were also approximately 700 volunteer library board members and many other individuals who volunteered to support their public library. The PILRB staff organizational chart can be viewed in Appendix 4.

Library Locations

There are 95 active and one inactive¹ public libraries located throughout the province. These libraries are divided into four regions:

Western Newfoundland and Labrador	31	(includes 6 in Labrador)
Central Newfoundland	33	
Eastern Newfoundland	29	
St. John's	3	

Of the 95 active public libraries, 31 are located in schools, 34 are located in municipal buildings, four are located in government buildings and 26 are located in PILRB owned or leased facilities.

Partnerships

During the past year the PILRB continued to maintain excellent partnerships with a number of groups and agencies which contribute to the provision of quality library services and programs:

- Many municipalities supported public libraries with funding or in-kind contributions.
- Local volunteer library boards helped keep libraries open and raised funds to help establish and support PILRB programs.
- The school districts, throughout the province, provided space for 31 school/public libraries as well as cleaning and maintenance services.
- Sharing of resources and best practices continued with libraries at Memorial University

¹ The library in St. Lunaire-Griquet closed December 31, 2013 as a result of the closure of Bayview Collegiate, where the library was located. Cost neutral options to reopen the library are being evaluated.

and College of the North Atlantic.

- The Department of Education provided approximately 90 per cent of PILRB funding as well as expertise when needed. It also continued its partnership with the PILRB for two early literacy initiatives: Kinderstart and Birth to Three Early Literacy Program, which both support government's early learning strategic direction, specifically the services and programming components.
- The Department of Transportation and Works continued to be a valuable partner in helping to identify and correct issues with buildings or properties and when tendering for new or retendering for existing library space.
- The Toronto Dominion Bank and Library and Archives Canada supported the TD Summer Reading Program and the Canadian Council for the Arts supported Literary Readings Program. Both programs, offered in partnership with public libraries, helped enhance literacy.
- Canada Post continued to support the Library Book Rate, a reduced postal rate for mailing of library materials from library to library and library to end users. This rate helped provide library services to remote communities without library facilities and made it economical to share library materials between libraries.
- CBC partnered with the PILRB in a variety of programs in support of reading and literacy such as Canada Reads and the Human Library.
- There were many other organizations and agencies that assisted the PILRB on a daily basis. That support, which was critical to the effective and efficient operation of public libraries, was truly appreciated by the boards and staff.

OPERATIONAL ACHIEVEMENTS

In 2013-14 the PILRB continued to implement a full range of library programs and services. The following is a summary of NLPL operational activities during fiscal year 2013-14:

Library Services

Each year the PILRB records various statistics to help determine trends and evaluate the effectiveness of library programs and services. The following statistical summaries, from 2013-14, will provide an overview of our activities in the areas monitored:

- Of the 514,536 residents of the province (2011 Census, Stats Canada), 452,591 people (88 per cent) had direct access (within 15 kilometers) to a range of library and information services through 96 public library facilities. One hundred per cent of the population had access to library materials either through library facilities or outreach initiatives such as Books by Mail, electronic resources and eLibrary services.
- 116,157 individuals were registered as library patrons representing 26 per cent of the population served. This is a minimal change compared to the previous year but non active records were not purged in 2013-14 and declines are expected when this occurs.
- 1,537,985 items (library materials) were circulated to all patrons (an average of 13 items per patron). This represents a 1.2 percent decrease over the previous year.
- 237,923 reference requests were processed. This represents the number of written and verbal inquiries processed by staff and is a 12 per cent decrease over previous year.

- 100,501 interlibrary loans were processed. This represents the number of items transferred from one library to another, within or outside Newfoundland and Labrador public libraries and is a 2.5 per cent increase compared to the previous year.
- 11,247 library programs were offered with a total of 107,492 people participating. There was a 1.3 per cent decrease in the number of programs and a 1.0 per cent increase in the number of people participating compared to the previous year.
- 143,988 items (132,075 e-books and 11,913 audio books) were checked out from our new e Library service). This represents a 69 per cent increase compared to the previous year.
- 290,959 computer use sessions were recorded (30 minute blocks) from 470 public computers. This represents an 8 per cent decrease compared to the previous year.
- 171,327 wireless sessions were recorded which represents the number of patrons who connect to the public library Internet services, wirelessly, using their own computer or device. This represents a 39 per cent increase over the previous year and is due in part to the increasing use by tourists.
- 167,295 items were used in-house but not borrowed. This represents a 22 per cent decrease compared to the previous year.

Library Facilities

- Meetings were held with Conception Bay South regarding the possible sale of the existing library building and the need for a new library facility for the community. On March 27, 2014, a commitment was announced to help acquire new public library space in Conception Bay South, with funding to begin to flow in 2015-16.
- Representatives from the Town of Torbay advised that the town needs the existing library space in the municipal building and as a result we would have to vacate current space. They are, however, willing to provide space in the Kinsmen Centre, another municipal building, to be used for a public library. The proposed space is currently being evaluated to determine what upgrades are necessary to make it suitable for use as a library.
- The library in St. Lunaire-Griquet closed at the end of December 2013 as a result of the closure of the Bay View Collegiate. Options are still being explored for a suitable, cost neutral, alternate location.
- The Port aux Basques Library was temporarily closed in January as a result of damage caused by flooding. The library was reopened after cleanup but as a result of a complaint about the conditions in the library, an investigation was conducted by Occupational Health and Safety, with Service NL. As a result of that investigation detailed air quality testing was required. The results were forwarded to Occupational Health and Safety for review and recommendations.

Library Materials

- 36,189 copies of new library materials were purchased for public libraries sites around the province. This represents a reduction of 12,692 items over the previous year or a 25 per cent decrease.
- 10,333 copies were purchased through local fundraising initiatives. This represents an increase of 384 items or 4 per cent over the previous year.

- \$1,000,000 was allocated for library materials in the following categories:
 - \$467,875 for books
 - \$100,000 for periodicals
 - \$15,000 for standing orders
 - \$138,000 for electronic information services
 - \$120,000 for DVDs
 - \$10,000 for audio books
 - \$60,000 for e-books
 - \$26,125 License and Fees
 - \$63,000 for miscellaneous items such as binding, fees, supplies and freight

Technical Services (cataloguing and processing)

- 21,667 copies of library materials, including new purchases, donations and existing materials, were catalogued. This represents a decrease of 23,639 items or 52 per cent over the previous year. Cataloguing is a process where information relating to library materials is entered into a database according to standardized rules and practices. This facilitates the tracking and retrieval of information on specific library materials easily and quickly. Not all materials received or processed is catalogued.
- 51,403 items were processed. Processing includes the stamping, repairing, covering and labeling of library materials. This represents a decrease of 6,673, or 11 per cent, over the previous year.
- Technical Service staff continued to participate in automation projects. One project was completed in 2013-14.

Special Projects/Activities

- A team of management staff continued to participate in contract negotiations during the year. Negotiations concluded in 2013-14 with a new contract for unionized library staff.
- Fifty-three of the 70 recommendations arising from the operational review of the St. John's Public Libraries and the Provincial Resource Library were partly or fully completed. The review did help improve library services for the people of St. John's and surrounding areas. In 2013-14, 94 of 96 library sites across the province participated in the Summer Reading Program with a total of 2,608 children registered. This program is co-sponsored by the Toronto Dominion Bank and Library and Archives Canada and helps enhance the reading skills and literacy levels of children.
- The PILRB's new elibrary service has proven to be very popular. Since its launch in June 2011, usage has increased from 28,174 in the first year to 85,414 in the second year and 143,988 items this past year. This new service allows downloading of electronic books and audio books directly to a device such as a Kobo, Sony e-reader or Apple iPod or iPad, either in the library or at home. This new service, which is helping expand library services to people who do not have access to a library or have difficulty getting to a library due to a disability or scheduling, is attracting more first time library users.
- In 2013-14, NLPL partnered with the Canadian Revenue Agency in its Community Volunteer Income Tax Program. The initiative saw the establishment of drop off or in library personal service with CRA Volunteers, in various library sites around the province. The program was very successful and will be expanded in 2014-15.

REPORT ON PERFORMANCE 2013-14

ISSUE: Accessibility to Library Services

In order to increase the usage of public library services by existing patrons and encourage more people to become library patrons, public library services must be of high quality and responsive to the needs of the public. Given the increasingly busy lifestyles of people, services have to be available at convenient times and be easily accessible from a variety of locations in order to encourage people to use them. There are also many communities without library facilities so alternate methods of service delivery must be developed to reach these areas. Services should be accessible to all people, regardless of their age, gender or ability. People should also have access to information describing what services are available, the hours of operation and where library facilities are located. For these reasons, the PILRB established a three year goal to improve accessibility to library services. This goal supports the strategic directions of government relating to Academic/Learning Foundation (specifically, the library services component).

Goal: By March 31, 2014, the PILRB will have improved accessibility to library services.

Measure: Improved accessibility to library services

Indicators:

- Enhanced programs
- Expanded services
- Expanded automation
- Enhanced promotions

In the 2011-14 planning cycle, the PILRB was successful at improving accessibility to library services through a variety of different activities. In 2011-12 the PILRB completed an environmental scan to determine factors which affect accessibility to library services. Based on that information, activities were prioritized relating to enhancing programs, expanding services, expanding automation and enhancing promotions. A list of topics was also compiled relating to staff and board training that would contribute to improving accessibility to library services. From 2011-14, library staff in 93 of 96 libraries received training in a variety of library related programs and services. This training included sessions on: early literacy, e-library services, online data bases, programming and promotions, selection of library materials, collection development, occupational health and safety, interlibrary loans, outreach services, library appearance and operations, dealing with persons with special needs, etc. These sessions will help improve the quantity and quality of library programs and services. During 2011-12, a new data collection system was also implemented. This new system simplifies the recording of information and facilitates the retrieval of that information so impacts of various library efforts and initiatives can be more easily evaluated.

Enhanced Programs

During 2011-14, a new early literacy program called Early Literacy Foundations, was developed and piloted for children aged 0-3 years and their parents/caregivers. This new program, which

is facilitated by trained early literacy professions, runs two hours per week for 12 weeks, and is designed to provide parents and caregivers the skills and techniques to enhance the literacy skills of their children. The pilot program, which will include offerings at various locations around the province, will be evaluated before a decision is made to implement the program provincially.

Another program called Every Child Ready to Read was purchased from the American Library Association for implementation by library staff. Training of staff has commenced and will be completed before the program is launched in 2014-15.

Over the planning period, the number of library programs increased from 10,722 to 11,247 and the number of participants from 43,570 to 107,492. These programs ranged from various early literacy programs for children and families to programs for teens. In addition to our regular offerings, new programs were offered ranging from Knitting, Planning a Cruise, Writers' Workshops, Budgeting, Being a Wise Consumer, Health and Fitness, Map and Compass, Canoeing, Income Tax Preparation, etc. All programs are intended to enhance the skill levels of participants or provide social interaction and entertainment.

Expanded Services

During the 2011-14 period, the PILRB expanded services through the following initiatives:

- A new e-library service was launched. This new service allows the downloading of digital books from anywhere provided the patron has a valid library card, an internet connection and a compatible device. This is especially convenient for library patrons who do not have time to visit a library and for those who do not have direct access to a library facility.
- Work started on improving services for visually impaired individuals. Discussions were held with two groups, the Canadian Urban Library Council who are partnering with the Canadian National Institute for the Blind, and the BC Libraries Cooperative, about new subscription services for downloadable digital and braille materials for loan to patrons who have medical disabilities. While the service is not yet implemented, discussions are continuing and implementation is expected in the near future.
- Library hours were reviewed to ensure the schedules were convenient to allow adequate access to the range of library services by library patrons. Generally the hours were found to be convenient but in 15 sites the schedules were revised to improve accessibility to library services.
- The Key Project was launched. This is an electronic resource portal which is accessible to anyone in the province with a valid public library card. The website provides free and subscription electronic resources from the partner organizations including NLPL, Memorial University, College of the North Atlantic and the Department of Education. This new initiative integrates with the PILRB's existing electronic resources.

Expanded Automation

Efforts continued to increase automation of library sites. A total of 10 sites were automated during the planning cycle which reduces work for staff and improves access to library materials because patrons can view and request materials from other automated sites. Additional information on automation can be found in the objective reporting below.

Enhanced Promotions

During the planning period, staff increased the number of free opportunities to promote library services. They participated in call in programs, did radio and TV interviews, public service announcements, and community events. During the period there were a number of library open houses, one new library opening and two library re-opening events following completion of major renovation projects. During the year staff also enhanced social media initiatives by upgrading our presence on Facebook and establishing a Twitter account.

Also during the 2011-14 period, efforts were increased to improve awareness of libraries through improved signage. A total of 21 new signs were installed and of the 96 libraries across the province 45 now have new signs. Work will continue in this area.

The achievement of the 2011-14 goal relating to ***improved accessibility to library services*** was reached via the achievement of the objectives for the past two years and the 2013-14 objective as outlined below.

2013-14 Objective

By March 31, 2014, the PILRB will have completed implementation of select options to improve accessibility to library services.

Measure: Completed implementation of select options to improve accessibility

Indicators:

- Held staff training sessions
- Revised hours of operation
- Automated additional sites
- Enhanced e-resources
- Enhanced programs
- Enhanced library operations
- Enhanced promotions

Held Staff Training Sessions

During 2013-14, two staff training sessions were held in Central Division with staff from 31 of the 33 libraries participating. The staff members who were unable to participate will receive one on one instruction in the topics covered. Staff who attended the sessions received information and training in a number of library related topics including: on line statistics, e-portal resources, programming and promotions, selection of library materials, collection development, weeding, occupational health and safety, interlibrary loans and administrative issues. These professional staff development sessions will help ensure that staff members have the necessary skills to provide a high quality service to library patrons and ensure the library system operates as efficiently as possible.

In 2013-14, six early literacy staff were hired to implement a new early literacy program pilot, which started in January. Those staff underwent a two-week training session in preparation for the pilot implementation.

Throughout the year, 17 library staff also participated in Occupational Health and Safety training. While this training is required under the Occupational Health and Safety legislation, and is an integral part of the NLPL's new Occupational Health and Safety Program, it is also critical to ensuring a safe environment for staff and patrons. Six library staff also received training in First Aid.

A number of staff members were able to participate in the annual Newfoundland and Labrador Library Association Conference in St. John's.

Several staff participated in three web seminars during the year: *Community Led Library Services* (Nov 21, 28, Dec 5); *Measuring the Economic Impact of Public Libraries* (Feb 21); and four courses which make up the *Horizon Cataloguing Module*. There was also a staff led training session relating to processing of online registrations.

Revised Hours of Operation

During the year managers and local boards were asked to review the hours of operation of each library to ensure the library schedules are meeting the needs of their clients. The survey revealed that the majority of sites have appropriate schedules but in 12 sites, the schedules were revised to improve patron access to library services.

Automated Additional Library Sites

In 2013-14, the library in Pouch Cove was automated. Due to competing priorities, no other automation projects were undertaken. This brings the total number of sites automated to 44 of 96. Automation of library sites involves installing the NLPL automated library management system software and inputting library material information into the electronic database. Patrons can view the holdings of a library online and can borrow material either in person at the library or from another library via interlibrary loan, thus improving access to library materials and service. Automation also expedites the checking in and out of library materials, making library staff more efficient, and it automatically tracks overdue and lost materials thus improving the application of fines and the recovery of materials. We are continuing to work towards a 20 year goal of having all sites automated by 2020.

Enhanced E-Resources

During 2013-14, the PILRB enhanced e-resources through the launch of the Key Project, an electronic resource portal which is accessible to anyone in the province with a valid public library card. The website provides free and subscription electronic resources from the partner organizations including NLPL, Memorial University, College of the North Atlantic and the Department of Education. This new service includes resources relating to business, careers, consumer information, education, early literacy, government, health and safety, kids and parents, Newfoundland and Labrador and research.

The NLPL continued to provide a good selection of electronic databases in 2013-14. The existing databases include: Canada's Information Resource Centre, Consumer Health, Canadian Reference Center, Consumer Reports, Master File Premier, Novelist Plus, PubMed (Health), Tumble Books Story Books, Tumble Books Cloud, Tumble Books Cloud Junior, World Book Online Suite and Literature Resource Centre. While the funding allocated to electronic

databases is limited, these resources are constantly evaluated and updated in an attempt to provide the best resources within the budget allocation. We will continue to support the service as it is part of our outreach initiative which allows patrons, with a valid library card, to download e-books or audio books to a portable device or a computer, either at the library or any location with access to the Internet. As a result of this initiative we do service 100 percent of the population of the province.

Enhanced Programs

During 2013-14, the PILRB enhanced library programs as follows:

- Staff continued to seek out, develop and offer quality programs for educational benefit, personal interest or social interaction. Some examples of program offerings included: Family Storytime; Tots Literacy Counts; Bedtime Story time; Tots and Technology; Mother Goose on the Loose; NL Author Readings; Knitter's Circle; Diving in NL; Shipwrecks, Planning a Cruise, Canoeing, Wills and Estate Planning, Writers Workshop, Budgeting, Embroidery, Making Christmas Packages, Christmas Tree Decorating, Being a Wise Consumer, Map and Compass, Motivation, Guitar Lessons, Homework Haven, Story Writing, Income Tax Preparation, etc.
- Development of a new early literacy program for birth to three year olds, called Early Literacy Foundations, continued in 2013-14 with the hiring of six early literacy facilitators. During the year, training sessions were held for the early literacy staff, the content of the program was refined, program materials were created, sites were prepared and recruitment of participants commenced. In January 2014, the first phase of the pilot was implemented with program offerings at 10 library sites and two outreach locations. A process evaluation also started with the first phase of the pilot. The second phase is scheduled to begin in April 2014. Funding for this initiative has been provided through the Early Childhood Learning Division of the Department of Education.
- Another early literacy program called, Every Child Ready to Read was purchased from the American Library Association. This program is intended to be offered in all public libraries by library staff. Training has started and will be completed before the planned implementation in the winter of 2014-15.
- Discussions continued regarding improvement of services for blind, visually impaired and print disabled individuals. Two initiatives are currently in the development/implementation phase. The first is the National Network for Equitable Library Access (NNELS) developed by the BC Libraries Cooperative. It consists of a digital repository of alternate format books supported by in-kind and financial contribution of partner organizations. The second is the Centre for Equitable Library Access (CELA) which acquires, produces, distributes and preserves a digital repository of alternate format materials. CELA is supported through funding from clients and was established through a partnership with Canadian Urban Libraries Council and the Canadian National Institute for the Blind. Both initiatives would make valuable contributions to the public library system and those with vision loss or impairment or print disability. Options are being explored on how to subscribe to one or both initiatives.

Enhanced Library Operations

In 2013-14, the PILRB enhanced library operations through the introduction of a new public computer sign in system. With a valid library card, patrons can now log in directly from the

computer work stations without assistance from staff. This new program has obvious advantages: it eliminates the need for staff to assist patrons, thereby allowing them more time to do other things; it reduces privacy concerns; it provides more control over the resource; and it automatically collects data. At present this is a pilot project in St. John's but our goal is to expand the services to other libraries across the province subject to available funds.

Enhanced Promotions

During 2013-14, the PILRB enhanced promotion of libraries through a number of methods. Staff participated in call in programs, did radio and TV interviews, public service announcements, and community events. During the year staff also enhanced social media initiatives by upgrading our Facebook presence and establishing a Twitter account.

Discussion of Results

During the final year of this planning cycle, implementation continued on activities relating to improving accessibility to library services which were identified in year one and started in year two. Staff training initiatives continued in central division which will continue to build the skill levels of staff and enhance their ability to provide quality programs and services. A review of the hours of operation of libraries resulted in change to approximately 20 per cent of our sites. We are confident this will improve access to services in the communities where hours have been changed. We were able to automate one library site in our ongoing efforts to improve access to library materials and make the system more efficient. During the year we were able to maintain the number of electronic resources available to library patrons. We also launched our new electronic resource portal, a website housing electronic resources created through a partnership between NLPL, Memorial University, College of the North Atlantic and the Department of Education. The development and launch of the Key Project was especially significant since it will help improve access to resources that may not otherwise be available. Work continued on the enhancement of services for children and we continued to seek out opportunities to improve services for persons with vision loss or visual impairment. We launched our new early literacy program and will continue to expand the program to full provincial implementation. We are pleased to be able to achieve our 2013-14 objective and our 2011-14 goal to improve accessibility to library services.

ISSUE: Facilities and Equipment

Libraries have traditionally been defined as buildings housing a collection of books and other information. While libraries still house books and information, they have evolved to become meeting places for community groups, computer access locations, training centres, or simply places of relaxation. Since the use of libraries has expanded so has the need to ensure they are conveniently located, modern and spacious, while complying with the various regulatory requirements for public spaces and catering to the needs of everyone regardless of age or ability. Library facilities are as important as the information they contain. It is no longer sufficient to simply provide a comfortable room; rather, people want bright, warm, comfortable and nicely equipped spaces where they can relax, work, study or dream. The PILRB established a three-year goal to ensure that the facilities and equipment contribute to, rather than detract from, the library experience. This goal supports the strategic directions of

government in the areas of Early Learning (the space and furniture requirements component).

Goal: By March 31, 2014, the PILRB will have improved patrons' library experience through facilities and equipment upgrades.

Measure: Upgraded facilities and equipment

Indicators: - Improved facilities
- Improved equipment

In the 2011-14 planning cycle, the PILRB was able to improve patrons' library experience through the following facilities and equipment upgrades:

- A new library was opened in Corner Brook.
- Major renovation projects were completed at libraries in Deer Lake, Harbour Grace, Green's Pond, Gambo and St. John's (A. C. Hunter Library). These projects involved one or more of the following: replacing windows, doors, siding, roofs, flooring, lighting, improving the handicapped accessibility, etc.
- In addition to the above projects, 26 library sites were revitalized which involved one or more of the following: painting, installing circulation desks, tables, chairs, photocopiers, shelving, etc.
- At 62 sites there were upgrades to computers, scanners, printers, computer desks and chairs and in one site a new micro film reader-printer was installed.
- As part of the new early literacy initiative, new change tables, reading mats and a number of mobile shelving units were purchased for 40 early literacy pilot sites.
- A total of 21 new facility signs were installed.
- Several libraries were reorganized to improve the layout and functionality of the library space.
- Regular Occupational Health and Safety inspections commenced in library sites around the province and any issues identified are deemed a priority and corrected as soon as possible.

The achievement of the 2011-14 goal relating to **facility and equipment upgrades** was reached via the achievement of the objectives for the past two years and the 2013-14 objective as outlined below.

2013-14 Objective

By March 31, 2014, the PILRB will have completed implementation of selected options to improve library facilities and equipment.

Measure: Completed implementation of selected options

Indicator: - Upgraded parking lots, pathways and entrances
- Upgraded furniture, shelving and lighting
- Reconfigured library spaces
- Upgraded equipment

- Upgraded signage

Upgraded Parking Lots, Pathways and Entrances

Due to competing priorities, the PILRB were unable to carry out any improvements to parking lots and pathways during the year. However, we were fortunate to benefit from funding for a new elevator provided for the Gordon Pinsent Centre in Grand Falls-Windsor. This new elevator, which is scheduled to be operational in 2014, will significantly improve access to the Grand Falls-Windsor Public Library. During the year, outstanding issues with the elevator in Grand Bank were also addressed. The elevator is now functional and the library is fully accessible.

As a result of a flood at the Port aux Basques Library, site work will be required to address the water issue. As part of that work, consideration will be given to improving the parking area and the walkway.

Upgraded Furniture, Shelving and Equipment

Each year, upgrades are undertaken to improve library facilities and to enhance the library experience. These improvements include upgrades to furniture, shelving and lighting but may also include physical improvements to buildings through installation of new flooring, windows, lighting, painting, etc. During 2013-14, improvements were made at the following sites:

- A.C. Hunter Library, St. John's
- Michael Donovan Library, St. John's
- Arnold's Cove
- Carbonear
- Grand Bank
- Old Perlican
- St. Lawrence
- Trepassey
- Baie Verte
- Gambo
- Gander
- Glenwood
- Springdale
- St. Albans
- Cow Head
- Corner Brook Library
- Corner Brook –Western Division Office
- Happy Valley-Goose Bay
- Labrador City
- Port aux Basques
- Stephenville
- Stephenville Crossing

Reconfigured Library Spaces

Reconfiguring library space helps make libraries more accessible, user friendly, inviting and efficient. During the year there was a need to reconfigure the Corner Brook library to make room for the divisional office staff who relocated to the Corner Brook Library. Also during the year, the first phase of the Early Literacy Foundations program was launched throughout the province. The following sites, which participated in the program, were provided with at least two mobile shelving units, a reading mat and a change table, if necessary:

- A.C Hunter, St. John's
- Marjorie Mews, St. John's
- Bell Island
- Garnish
- Holyrood
- Glovertown
- Glenwood
- Norris Arm
- Burgeo
- Lark Harbour
- Pasadena
- Ramea

Upgraded Equipment

Library equipment is an important part of library operations. Computers, scanners, printers, fax machines, copiers, microfilm readers, digital cameras, TVs, display boards and display monitors are all critical to an effective and efficient library. During 2013-14 the following sites received equipment upgrades:

- Corner Brook – microfilm reader-printer
- A. C Hunter, St. John's – printers
- Wesleyville – printer
- Winterton - printer

In an effort to maintain the public access computer program, 70 new computers were purchased for installation in 42 different library sites. The regular replacement of computer equipment is critical to the sustainability of our public computer services.

Upgraded Signage

Work began in 2010, following development of our new library logo and brand, on the upgrading of external signage at library sites across the province in order to improve visibility and accessibility of library sites. Two new signs were installed in Hare Bay/Dover and Burin during 2013-14. This brings the total of sites with new library signs to 45 of 96.

Other Activities Undertaken in Support of 2013-14 Objective

During the past year work continued on identification of Occupational Health and Fire and Life Safety issues. A list of outstanding issues was compiled and critical issues were addressed but there was insufficient funding to address all issues. A budget request was submitted and

\$200,000 was approved by Government for work in this area. Work will commence on the outstanding issues in 2014-15 subject to staff availability.

Discussion of Results

During the final year of this planning cycle, we implemented of a number of facility and equipment upgrades. We were able to complete a number of essential furniture, shelving and lighting improvements in 22 sites across the province. We also provided shelving, mats and change tables in 12 sites as part of the new early literacy pilot program. Finally, we provided computers and printers in 45 sites and a reader-printer for one library. Work also started on identification of occupational health and safety issues, and with additional funding from Government provided at the end of 2013-14, work will continue on addressing these issues in 2014-15. We are pleased, however, with the things we were able to achieve because they will help create more functional and inviting spaces for patrons. The board will continue to build on the work which has been done to make libraries safe, modern, spacious and inviting places for people to visit. The activities completed helped achieve the 2013-14 objective and ensured the achievement of our 2011-14 goal to improve patrons' library experience through facilities and equipment upgrades.

OPPORTUNITIES AND CHALLENGES

During 2013-14 a number of opportunities and challenges, which are important to the board, were identified. They include:

Early Literacy

The new early literacy program pilot was launched in January and initial feedback has been very positive. The pilot implementation will continue across the province subject to staff and space availability. This new initiative will be very valuable for children and parents or caregivers and will enhance the role of libraries and other facilities that are used as outreach locations.

New Libraries

NL has the highest number of public libraries per capita in Canada but there are still several large communities without library facilities and several other communities where the existing libraries are inadequate for the population served. Efforts are required to ensure public libraries are relevant and responsive to the changing needs of the residents of NL.

Succession Planning

With the anticipated retirement of an increasing number of staff over the next five years, succession planning continues to be an important issue for the organization. The recruitment of staff is challenging given that many of our libraries are in remote locations and operate between 10 and 20 hours per week.

Appendix 1
Provincial Information and Library Resources Board
Members

Provincial Information and Library Resources Board

Board Membership as of March 31, 2014

Divisional Board Representatives

Name	Location
1. Taylor, Calvin (Chair) Eastern Board Representative	Conception Bay South
2. Pink, James Western Newfoundland and Labrador Board Representative	Burgeo
3. Goodridge, Alan (Vice-Chair) St. John's Board Representative	Goulds
4. Elliott, Everett Central Board Representative	Botwood

Regional Board Observers

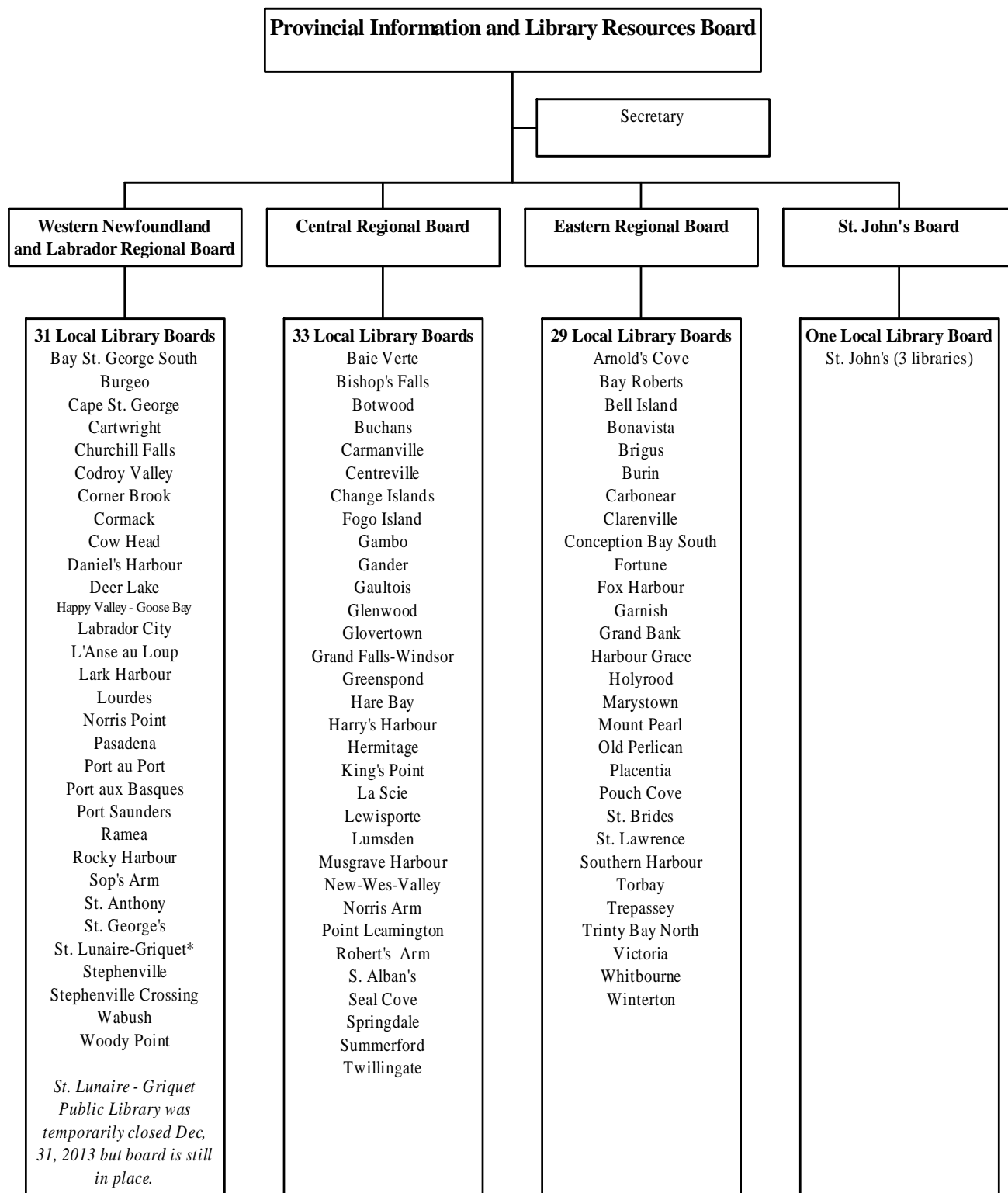
1. Noonan, Gillian Eastern Board Observer	Old Perlican
2. Tulk, Judy Central Board Observer	Traytown
3. Ford, Augusta St. John's Board Observer	St. John's
4. Neary, Pamela Western Newfoundland and Labrador Board Observer	Wabush

Appointees of the Lieutenant Governor in Council

1. Bellows, Carla	Rocky Harbour
2. Walsh, Patrick	Mount Pearl
3. Hayward, Rick	St. John's
4. Burke, Audrey	Grand Falls - Windsor
5. Hynes, Estelle	Kippens
6. ADM Education – Joan Morris	St. John's

Appendix 2
Newfoundland and Labrador
Public Libraries
Board Structures

**Newfoundland and Labrador Public Libraries
Board Structure**



March 31, 2014

Appendix 3
Provincial Information and
Library Resources Board
Audited Financial Statements
2013-14



**AUDITOR
GENERAL**
of Newfoundland and Labrador

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Provincial Information and Library Resources Board
Stephenville, Newfoundland and Labrador

Report on the Financial Statements

I have audited the accompanying financial statements of the Provincial Information and Library Resources Board which comprise the statement of financial position as at March 31, 2014, the statements of operations, remeasurement gains and losses, change in net debt, 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 control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

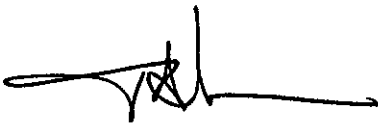
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control 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 control. 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.

Independent Auditor's Report (cont.)

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Provincial Information and Library Resources Board as at March 31, 2014, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink, appearing to read 'T. Paddon', with a long horizontal stroke extending to the right.

TERRY PADDON, CA
Auditor General

June 26, 2014
St. John's, Newfoundland and Labrador

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD**STATEMENT OF FINANCIAL POSITION****March 31****2014****2013****FINANCIAL ASSETS**

Cash	\$ 3,123,863	\$ 3,288,848
Accounts receivable (Note 3)	65,670	87,764
Due from the Province	236,700	174,612
Portfolio investments (Note 4)	64,234	46,514
	<u>3,490,467</u>	<u>3,597,738</u>

LIABILITIES

Accounts payable and accrued liabilities (Note 5)	859,188	929,131
Employee future benefits (Note 6)	2,171,755	2,222,498
Deferred revenue (Note 7)	1,810,897	2,161,771
Obligation under capital lease (Note 9)	31,942	36,020
	<u>4,873,782</u>	<u>5,349,420</u>
Net debt	(1,383,315)	(1,751,682)

NON-FINANCIAL ASSETS

Inventories held for use	87,279	76,047
Prepaid expenses	158,769	176,389
Tangible capital assets (Note 10)	2,220,835	2,429,482
	<u>2,466,883</u>	<u>2,681,918</u>
Accumulated surplus	\$ 1,083,568	\$ 930,236

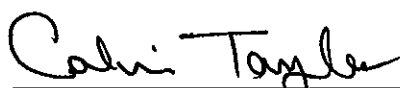
Accumulated surplus is comprised of:

Accumulated operating surplus	\$ 1,042,826	\$ 907,214
Accumulated remeasurement gains	40,742	23,022
	<u>\$ 1,083,568</u>	<u>\$ 930,236</u>

Contractual obligations (Note 8)**Trusts under administration (Note 11)**

*The accompanying notes and supplementary schedules are an
integral part of these financial statements.*

Signed on behalf of the Board:


Chairperson


Member

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

STATEMENT OF OPERATIONS

For the Year Ended March 31

	2014 Budget	2014 Actual	2013 Actual
(Note 13)			
REVENUE			
Province of Newfoundland and Labrador			
Operating grant	\$ 10,370,600	\$ 10,372,229	\$ 10,811,800
Early Literacy Program	-	545,317	82,637
Capital grant	120,000	159,372	250,000
Kinderstart Literacy Program	-	2,585	-
Computerization projects	-	-	200,000
Miscellaneous	60,000	71,825	69,506
Fines and lost library materials	-	58,408	57,303
Interest	40,000	45,465	40,281
Dividend revenue	-	2,416	2,416
	10,590,600	11,257,617	11,513,943
EXPENSES (Note 15)			
Administration	2,295,521	2,325,621	2,683,501
Early Literacy	-	452,644	80,448
Kinderstart	-	2,585	-
Library Operations	6,241,737	6,065,822	6,296,194
Library Collection	1,633,468	1,472,559	1,779,071
Public Computer Access	524,406	343,764	510,722
Amortization	-	459,010	545,600
	10,695,132	11,122,005	11,895,536
Annual operating surplus (deficit)	(104,532)	135,612	(381,593)
Accumulated operating surplus, beginning of year	907,214	907,214	1,288,807
Accumulated operating surplus, end of year	\$ 802,682	\$ 1,042,826	\$ 907,214

The accompanying notes and supplementary schedules are an integral part of these financial statements.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD**STATEMENT OF REMEASUREMENT GAINS AND LOSSES****For the Year Ended March 31****2014****2013**

Accumulated remeasurement gains, beginning of year	\$ 23,022	\$ 16,226
Unrealized gains attributable to:		
Portfolio investments	17,720	6,796
Accumulated remeasurement gains, end of year	\$ 40,742	\$ 23,022

*The accompanying notes and supplementary schedules are an
integral part of these financial statements.*

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

STATEMENT OF CHANGE IN NET DEBT

For the Year Ended March 31

	2014 Budget	2014 Actual	2013 Actual
(Note 13)			
Annual operating surplus (deficit)	\$ (104,532)	\$ 135,612	\$ (381,593)
Changes in other non-financial assets			
Use of prepaid expenses	-	176,389	156,270
Acquisition of prepaid expenses	-	(158,769)	(176,389)
Net acquisition of inventories held for use	-	(11,232)	(5,344)
	-	6,388	(25,463)
Changes in tangible capital assets			
Acquisition of tangible capital assets	-	(252,677)	(168,884)
Loss on disposal of tangible capital assets	-	2,314	-
Amortization of tangible capital assets	-	459,010	545,600
	-	208,647	376,716
Accumulated remeasurement gains	-	17,720	6,796
(Increase) decrease in net debt	(104,532)	368,367	(23,544)
Net debt, beginning of year	(1,751,682)	(1,751,682)	(1,728,138)
Net debt, end of year	\$ (1,856,214)	\$ (1,383,315)	\$ (1,751,682)

The accompanying notes and supplementary schedules are an integral part of these financial statements.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD**STATEMENT OF CASH FLOWS****For the Year Ended March 31****2014****2013****Operating transactions**

Annual operating surplus (deficit)	\$ 135,612	\$ (381,593)
Adjustment for non-cash items		
Amortization	459,010	545,600
Loss on disposal of capital assets	2,314	-
	596,936	164,007
Change in non-cash operating items		
Accounts receivable	22,094	43,162
Due from the Province	(62,088)	(59,323)
Accounts payable and accrued liabilities	(69,943)	(7,586)
Employee future benefits	(50,743)	(97,469)
Deferred revenue	(350,874)	823,963
Inventories held for use	(11,232)	(5,344)
Prepaid expenses	17,620	(20,119)
Cash provided from operating transactions	91,770	841,291
Capital transactions		
<u>Additions to capital assets</u>	<u>(252,677)</u>	<u>(168,884)</u>
Cash applied to capital transactions	(252,677)	(168,884)
Financing transactions		
<u>Repayments of obligations under capital lease</u>	<u>(4,078)</u>	<u>(4,078)</u>
Cash applied to financing transactions	(4,078)	(4,078)
Increase (decrease) in cash	(164,985)	668,329
<u>Cash, beginning of year</u>	<u>3,288,848</u>	<u>2,620,519</u>
<u>Cash, end of year</u>	<u>\$ 3,123,863</u>	<u>\$ 3,288,848</u>

The accompanying notes and supplementary schedules are an integral part of these financial statements.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD**SCHEDULE OF OPERATING GRANTS TO LOCAL LIBRARIES****For the Year Ended March 31****2014****2013****Eastern Division**

Arnold's Cove	\$ 7,127	\$ 2,676
Bay Roberts	74,176	74,396
Bell Island	1,072	1,036
Bonavista	3,947	3,565
Brigus	9,351	7,133
Burin	965	531
Carbonear	40,709	39,332
Catalina	1,215	3,926
Clareville	16,264	27,238
Conception Bay South	10,747	11,574
Fortune	386	392
Fox Harbour	5,229	5,301
Garnish	426	509
Grand Bank	10,469	9,000
Harbour Grace	9,901	9,526
Holyrood	5,868	6,881
Marystown	7,167	6,090
Mount Pearl	11,478	12,416
Old Perlican	3,651	1,706
Placentia	27,276	31,372
Pouch Cove	2,007	2,233
St. Brides	7,344	7,333
St. Lawrence	5,015	469
Southern Harbour	2,422	1,294
Torbay	1,192	1,123
Trepassey	8,093	7,751
Victoria	771	868
Whitbourne	4,106	4,749
Winterton	759	672
	279,133	281,092

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD**SCHEDULE OF OPERATING GRANTS TO LOCAL LIBRARIES (Cont.)****For the Year Ended March 31****2014****2013****Central Division**

Baie Verte	5,304	4,706
Bishop's Falls	886	962
Botwood	7,038	7,177
Buchans	584	648
Carmanville	1,015	793
Centerville	647	715
Change Islands	387	422
Fogo	662	4,642
Gambo	8,272	35,521
Gander	30,133	31,954
Gaultois	2,402	2,549
Glenwood	1,244	1,481
Glovertown	523	729
Grand Falls-Windsor	4,022	4,942
Greenspond	3,868	4,430
Harbour Breton	769	1,074
Hare Bay	759	1,044
Harry's Harbour	5,426	5,341
Hermitage	644	624
King's Point	3,652	3,965
LaScie	4,370	3,880
Lewisporte	4,312	4,421
Lumsden	524	438
Musgrave Harbour	731	1,913
Norris Arm	1,873	1,837
Point Leamington	948	763
Robert's Arm	3,900	4,225
St. Albans	1,047	4,529
Seal Cove	501	1,012
Springdale	958	1,979
Summerford	1,588	2,728
Twillingate	1,029	823
Wesleyville	448	440
	100,466	142,707

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD**SCHEDULE OF OPERATING GRANTS TO LOCAL LIBRARIES (Cont.)****For the Year Ended March 31****2014****2013****Western Newfoundland -
Labrador Division**

Bay St. George South	1,281	1,388
Burgeo	617	596
Cape St. George	754	720
Cartwright	512	504
Churchill Falls	272	407
Codroy Valley	619	557
Cormack	1,311	1,800
Corner Brook	207,940	209,695
Cow Head	7,311	5,724
Daniel's Harbour	1,204	1,202
Deer Lake	15,353	14,939
Happy Valley	1,542	911
Labrador City	14,344	18,100
L'Anse au Loup	2,559	745
Lark Harbour	454	533
Lourdes	690	1,290
Norris Point	2,854	2,960
Pasadena	946	1,904
Port au Port	733	1,713
Port aux Basques	16,183	13,378
Port Saunders	5,310	8,016
Ramea	512	1,726
Rocky Harbour	463	394
St. Anthony	1,271	1,359
St. George's	1,529	1,239
St. Lunaire-Griquet	296	467
Sops Arm	835	940
Stephenville	33,124	26,580
Stephenville Crossing	1,478	1,124
Wabush	1,620	2,234
Woody Point	3,511	3,743
	327,428	326,888
	\$ 707,027	\$ 750,687

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

1. Nature of operations

The Provincial Information and Library Resources Board (the Board) operates under the authority of the *Public Libraries Act*. The purpose of the Board is to operate the public libraries in the Province. A majority of the members of the Board are appointed by the Lieutenant-Governor in Council. The Board reports to the Minister of Education.

The reporting entity for the purpose of these financial statements is the Board's head office and divisional offices. The Board's head office includes Administration, Technical Services and the Provincial Resource Library. These financial statements include expenditures for grants made to local libraries under the jurisdiction of the three divisional library boards detailed in the Schedule to the financial statements. Funds raised by local libraries in excess of the grants provided by the Board or any expenditures in excess of these grants are not reflected in these financial statements.

The Board is a Crown entity of the Province of Newfoundland and Labrador and as such is not subject to Provincial or Federal income taxes.

2. Summary of significant accounting policies

(a) Basis of accounting

The Board is classified as an Other Government Organizations as defined by Canadian Public Sector Accounting Standards (CPSAS). These financial statements have been prepared by the Board's management in accordance with CPSAS for provincial reporting entities established by the Canadian Public Sector Accounting Board. Outlined below are the significant accounting policies followed.

(b) Financial instruments

The Board's financial instruments recognized in the statement of financial position consist of cash, accounts receivable, due from the Province, portfolio investments, accounts payable and accrued liabilities, and obligation under capital lease. The Board generally recognizes a financial instrument when it enters into a contract which creates a financial asset or financial liability. Financial assets and financial liabilities are initially measured at cost, which is the fair value at the time of acquisition.

The Board subsequently measures all of its financial assets and financial liabilities at cost or amortized cost, except for portfolio investments in equity instruments that are quoted in an active market, which are measured at fair value. Financial assets measured at cost include cash, accounts receivable, and due from the Province. Financial liabilities measured at cost include accounts payable and accrued liabilities. Financial liabilities measured at amortized cost include obligation under capital lease.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

2. Summary of significant accounting policies (cont.)

(b) Financial instruments (cont.)

The carrying values of cash, accounts receivable, due from the Province, and accounts payable and accrued liabilities approximate current fair value due to their nature and the short-term maturity associated with these instruments. The carrying value of obligation under capital lease is considered to approximate market value.

The Board uses the quoted market price as at the fiscal year end to measure the fair value of its portfolio investments. Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations.

Interest and dividends attributable to financial instruments are reported in the statement of operations.

(c) Cash

Cash includes cash in bank.

(d) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of the Board's rate for incremental borrowing or the interest rate implicit in the lease. Note 9 provides a schedule of repayments and amount of interest on the leases.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	40 years
Building improvements	10 years
Furniture and equipment	10 years
Motor vehicles	5 years
Computer equipment	3 years
Software	5 years
Assets under capital lease	10 years

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

2. Summary of significant accounting policies (cont.)

(d) Tangible capital assets (cont.)

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Board's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Contributed tangible capital assets are recorded as revenue at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.

(e) Inventories held for use

Inventories held for use include office supplies and postage, and are recorded at the lower of historical cost and replacement cost.

(f) Prepaid expenses

Prepaid expenses include subscriptions, insurance and licenses, and are charged to expenses over the periods expected to benefit from it.

(g) Employee future benefits

Employee future benefits include severance pay and accumulating non-vesting sick leave benefits.

- (i) Severance is accounted for on an accrual basis and is calculated based upon years of service and current salary levels.
- (ii) The cost of accumulating non-vesting sick leave benefits is actuarially determined using management's best estimates of long-term inflation rates, compensation increases, discount rate and remaining service life.

Under the *Public Libraries Act*, Board staff are subject to the *Public Service Pensions Act*. Employee contributions are matched by the Board and then remitted to the Province of Newfoundland and Labrador Pooled Pension Fund from which pensions will be paid to employees when they retire.

Employee future benefits expenses are included with salaries and benefits in the Board's financial statements.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

2. Summary of significant accounting policies (cont.)

(h) Revenues

Revenues are recorded on an accrual basis in the period in which the transactions or events which gave rise to the revenues occurred. When the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable, revenues are recorded when received.

Dividend revenue on portfolio investments is recognized when the dividend is declared.

Government transfers (Province of Newfoundland and Labrador grants) are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

(i) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is recorded as an expense in that year.

Transfers include operating grants to local libraries. These transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

(j) Measurement uncertainty

The preparation of financial statements in conformity with CPSAS requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the expected future life of tangible capital assets, the probability of future severance payments made to employees with less than nine years of service and the probability of future sick leave benefits utilized by employees.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD**NOTES TO FINANCIAL STATEMENTS****March 31, 2014****3. Accounts receivable**

	<u>2014</u>	<u>2013</u>
Federal Government		
Harmonized Sales Tax	\$ 44,010	\$ 44,247
Other	21,660	43,517
	\$ 65,670	\$ 87,764

There is no allowance for doubtful accounts since all amounts are considered collectible.

4. Portfolio investments

Portfolio investments consist of 1,678 shares of Sun Life Financial Services of Canada Inc. which were given to the Board as a result of the demutualization of Sun Life Assurance Company of Canada. The carrying value of the shares is equal to their market price at the time of transfer to the Board.

	<u>Market Value</u>		<u>Carrying Value</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Investments held directly				
Sun Life Financial Services				
of Canada - 1,678 shares	\$ 64,234	\$ 46,514	\$ 23,492	\$ 23,492

5. Accounts payable and accrued liabilities

	<u>2014</u>	<u>2013</u>
Accounts payable	\$ 178,402	\$ 212,663
Accrued salaries and benefits	680,786	716,468
	\$ 859,188	\$ 929,131

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

6. Employee future benefits

Employee future benefits consists of:

	<u>2014</u>	<u>2013</u>
Severance pay (a)	\$ 1,417,894	\$ 1,471,449
Accumulating non-vesting sick leave benefit liability (b)	753,861	751,049
	<u>\$ 2,171,755</u>	<u>\$ 2,222,498</u>

(a) Severance pay

Severance pay consists of the severance pay liability related to the following employees:

	<u>2014</u>	<u>2013</u>
Employees with 9 or more years of service	\$ 1,250,573	\$ 1,317,171
Employees with less than 9 years of service	167,321	154,278
	<u>\$ 1,417,894</u>	<u>\$ 1,471,449</u>

(b) Accumulating non-vesting sick leave benefit liability

	<u>2014</u>	<u>2013</u>
Accrued accumulating non-vesting sick leave benefit obligation, end of year	\$ 760,665	\$ 811,015
Unamortized actuarial (loss), end of year	(6,804)	(59,966)
Accumulating non-vesting sick leave benefit liability, end of year	<u>\$ 753,861</u>	<u>\$ 751,049</u>

(c) Accumulating non-vesting sick leave benefit expenses

	<u>2014</u>	<u>2013</u>
Current year benefit cost	\$ 83,885	\$ 80,885
Employer contributions and benefit payments	(115,238)	(111,612)
Interest on accrued benefit obligation	28,632	30,228
Recognized actuarial losses	5,533	4,615
Accumulating non-vesting sick leave benefit expenses	<u>\$ 2,812</u>	<u>\$ 4,116</u>

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

6. Employee future benefits (cont.)

(d) Employee future benefits

i. Severance pay

Severance is accounted for on an accrual basis and is calculated based upon years of service and current salary levels. The right to be paid severance vests with employees with nine years of continuous service, and accordingly a liability has been recorded by the Board for these employees. For employees with less than nine years of continuous service, the Board has made a provision in the accounts for the payment of severance which is based upon the Board's best estimate of the probability of having to pay severance to the employees and current salary levels. In determining the best estimate of the probability that employees would be paid severance, the Board considered the rate of employee turnover. Employees with prior service with the Government of Newfoundland and Labrador or a Crown corporation or agency may be considered for severance provided the previous employer followed the same or an equivalent severance policy. Severance is payable when the employee ceases employment with the Board provided no severance has been paid by Government or another Crown corporation or agency for the same period and the employee has at least nine years of continuous service.

ii. Accumulating non-vesting sick leave benefits

All unionized employees hired before May 4, 2004, are credited with 2 days per month and all unionized employees hired thereafter are credited with 1 day per month for use as paid absences in the year due to illness. Employees are allowed to accumulate unused sick day credits each year, up to the allowable maximum provided in their respective employment agreement. Accumulated credits may be used in future years to the extent that the employee's illness exceeds the current year's allocation of credits. The use of accumulated sick days for sick leave compensation ceases on termination of employment. The benefit costs and liabilities related to the plan are included in the financial statements. For the year ended March 31, 2014, a sick leave liability was calculated for 219 employees.

The accrued benefit obligation for accumulating non-vesting sick leave benefits for the year ended March 31, 2014, are based on an actuarial extrapolation for accounting purposes to March 31, 2014 (valuation date as of March 31, 2012).

The actuarial extrapolation is based on assumptions about future events. The economic assumptions used in this extrapolation are the Board's best estimates of compensation increases ranging from 2.75% to 4.0% per annum and discount rate of 3.9%. Other assumptions used in the extrapolation include estimates of expected termination rates, utilization rates and mortality rates.

Experience gains or losses are amortized over the estimated average remaining service life of active employees. The amortization amount will be included as an expense in the financial statements commencing in the year subsequent to the year in which the experience gain or loss arose.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

6. Employee future benefits (cont.)

(d) Employee future benefits (cont.)

iii. Pension contributions

Under the *Public Libraries Act*, Board staff are subject to the *Public Service Pensions Act*. Employee contributions are matched by the Board and then remitted to the Province of Newfoundland and Labrador Pooled Pension Fund from which pensions will be paid to employees when they retire. The Plan is a defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings average over five years. The maximum contribution rate for eligible employees was 8.6% (2013 - 8.6%). The Board's share of pension contributions and the total expense for 2014 was \$398,643 (2013 - \$430,046). The Board is not required to make contributions in respect of any actuarial deficiencies of the Plan.

7. Deferred revenue

Deferred revenues are set aside for specific purposes as required either by legislation, regulation or agreement. As at March 31, 2014, the Board reported the following:

	Balance at beginning of year	Receipts during year	Transferred to revenue	Balance at end of year
Provincial source revenue	\$2,158,549	\$ 235,000	\$ 587,274	\$ 1,806,275
Other source revenue	3,222	4,622	3,222	4,622
	\$2,161,771	\$ 239,622	\$ 590,496	\$ 1,810,897

Deferred revenue relates to grants received for specific programs such as literacy initiatives and library book purchases, and renovations to local libraries which have not yet been spent for these purposes by the Board. These amounts will be recognized as revenue when the specific program expenses are incurred or the capital equipment is acquired.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

8. Contractual obligations

The Board has entered into lease agreements for the rental of photocopiers, microfiche readers, postal equipment and various rental properties throughout the Province. Future minimum lease payments are as follows:

2015	\$ 677,476
2016	677,476
2017	676,454
2018	589,598
2019	540,535
Thereafter	<u>3,241,344</u>
	<u>\$ 6,402,883</u>

9. Obligation under capital lease

The Board acquired office furniture under the terms of a lease agreement ending January 31, 2022. There is no interest under the terms of the agreement and the Board will assume ownership at the end of the 10 year term.

	<u>2014</u>	<u>2013</u>
Obligation under capital lease	<u>\$ 31,942</u>	<u>\$ 36,020</u>

Payments under this obligation for the next 8 years are as follows:

2015	\$ 4,078
2016	4,078
2017	4,078
2018	4,078
2019	4,078
2020 - 2022	<u>11,552</u>
Total minimum lease payments	<u>\$ 31,942</u>

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

10. Tangible capital assets

Original Cost

	Balance March 31, 2013	Additions	Disposals	Balance March 31, 2014
Land	\$ 285,907	\$ -	\$ -	\$ 285,907
Buildings	1,758,867	-	-	1,758,867
Building improvements	1,688,649	15,830	-	1,704,479
Furniture and equipment	1,712,846	140,136	24,506	1,828,476
Motor vehicles	206,809	-	-	206,809
Computer equipment	1,363,040	96,711	170,419	1,289,332
Software	168,688	-	-	168,688
Assets under capital lease	40,777	-	-	40,777
	<u>\$ 7,225,583</u>	<u>\$ 252,677</u>	<u>\$ 194,925</u>	<u>\$ 7,283,335</u>

Accumulated Amortization

	Balance March 31, 2013	Amortization	Disposals	Balance March 31, 2014	Net book value March 31, 2014	Net book value March 31, 2013
Land	\$ -	\$ -	\$ -	\$ -	\$ 285,907	\$ 285,907
Buildings	1,248,867	35,789	-	1,284,656	474,211	510,000
Building improvements	798,729	164,028	-	962,757	741,722	889,920
Furniture and equipment	1,151,521	101,297	23,249	1,229,569	598,907	561,325
Motor vehicles	164,358	23,125	-	187,483	19,326	42,451
Computer equipment	1,255,782	130,693	169,362	1,217,113	72,219	107,258
Software	168,688	-	-	168,688	-	-
Assets under capital lease	8,156	4,078	-	12,234	28,543	32,621
	<u>\$ 4,796,101</u>	<u>\$ 459,010</u>	<u>\$ 192,611</u>	<u>\$ 5,062,500</u>	<u>\$ 2,220,835</u>	<u>\$ 2,429,482</u>

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

11. Trusts under administration

Trust funds administered by the Board have not been included in the financial statements as expenditures of these funds are not controlled by the Board. The balances of funds held in trust are as follows:

	<u>2014</u>	<u>2013</u>
Local libraries - deposits	\$ 101,381	\$ 96,984
Provincial Territorial Public Library Council	53,232	69,204
	<u>\$ 154,613</u>	<u>\$ 166,188</u>

Funds raised by some local libraries have been deposited with the Board to cover the cost of wages for additional opening hours and for the purchase of books, periodicals and computers. The balance on deposit at March 31, 2014 consists of cash of \$23,412 (2013 - \$20,001), and 4,119 shares (2013 - 4,084 shares) of various Investor Group Mutual Funds held in trust for the St. John's Public Library Board which were donated to the Board. The carrying value of the mutual funds is recognized at the fair market value of \$77,969 (2013 - \$76,983), as determined by the average cost at the time the shares were acquired by the Board. The fair market value of these shares at March 31, 2014 was \$103,138 (2013 - \$86,329).

The Provincial Territorial Public Library Council is a national organization whose mandate is to study library services. Membership fees are paid each year into the account and expenses are periodically spent from the account as directed by the Council.

12. Related party transactions

Province of Newfoundland and Labrador

- (a) The Board receives grant funding from the Province of Newfoundland and Labrador. During the year, the Board received grants totaling \$10,490,529 (2013 - \$11,999,188). The Board recognized \$11,079,503 (2013 - \$11,344,437) in revenue from the Province of Newfoundland and Labrador.
- (b) As at March 31 2014, the Board was owed \$236,700 (2013 - \$174,612) from the Province of Newfoundland and Labrador.

13. Budget

The Board's budget is prepared on a cash basis. The 2014 budget expenditure exceeded the Province's current year provision for operating grants to the Board and the expected difference would be funded from cash surpluses carried forward from prior years.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2014

14. Financial risk management

The Board recognizes the importance of managing risks and this includes policies, procedures and oversight designed to reduce risks identified to an appropriate threshold. The Board is exposed to credit risk, liquidity risk and market risk through its financial instruments. There were no significant change in the Board's exposure to these risks or its processes for managing these risks from the prior year.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Board's main credit risk relates to cash, accounts receivable and due from the Province. The Board's maximum exposure to credit risk is the carrying amounts of these financial instruments. The Board is not exposed to significant credit risk with its cash because this financial instrument is held with a chartered bank. The Board is not exposed to significant credit risk with the amount due from the Province because of its nature. The Board is not exposed to significant credit risk related to its accounts receivable as it has policies and procedures for the monitoring and collection of its accounts receivable so as to mitigate potential credit losses. Any estimated impairment of these accounts receivable has been provided for through a provision for doubtful accounts. At the present time there is no provision for doubtful accounts as all amounts are considered collectible.

Liquidity risk

Liquidity risk is the risk that the Board will be unable to meet its contractual obligations and financial liabilities. The Board manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient resources available to meet its contractual obligations and financial liabilities. The Board's exposure to liquidity risk relates mainly to its accounts payable and accrued liabilities, obligation under capital lease and contractual obligations. The future minimum payments required from the Board in relation to its contractual obligations and obligation under capital lease are outlined in Notes 8 and 9 respectively.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency (foreign exchange) risk, interest rate risk and other price risk. The Board is not exposed to significant foreign exchange risk. The Board is not exposed to interest rate risk on its obligation under capital lease because it is non-interest bearing. In addition, the Board is not exposed to significant interest rate risk related to cash because of its nature.

The Board is exposed to other price risk on its portfolio investments (equity investments) as the investments are quoted in an active market in which share pricing can fluctuate. The Board's maximum other risk is limited to the fair value of the shares as at March 31, 2014. As the Board's investment consists of 1,678 shares, any price fluctuation of \$1 to the quoted market price will result in an unrecognized gain or loss of \$1,678 for the Board.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

15. Expenses by Object

The following is a summary of expenses by object:

	<u>2014</u>	<u>2013</u>
Amortization	\$ 459,010	\$ 545,600
Books and periodicals	903,760	1,099,893
Computerization of libraries	226,312	291,309
Conferences and workshops	12,873	14,712
Early Literacy Program	452,644	80,448
Freight and postage	35,661	40,758
Grants – local libraries (Schedule)	707,027	750,687
Insurance	76,505	80,308
Kinderstart Literacy Program	2,585	-
Loss on disposal of capital assets	2,314	-
Miscellaneous	1,439	1,350
Office and library supplies	102,654	148,351
Professional fees	21,495	16,585
Rental of premises	415,091	414,370
Repairs and maintenance	17,982	43,210
Salaries and benefits	7,546,408	8,178,387
Telephone	57,808	68,332
Travel	80,437	121,236
	<u>\$ 11,122,005</u>	<u>\$ 11,895,536</u>

16. Non-financial assets

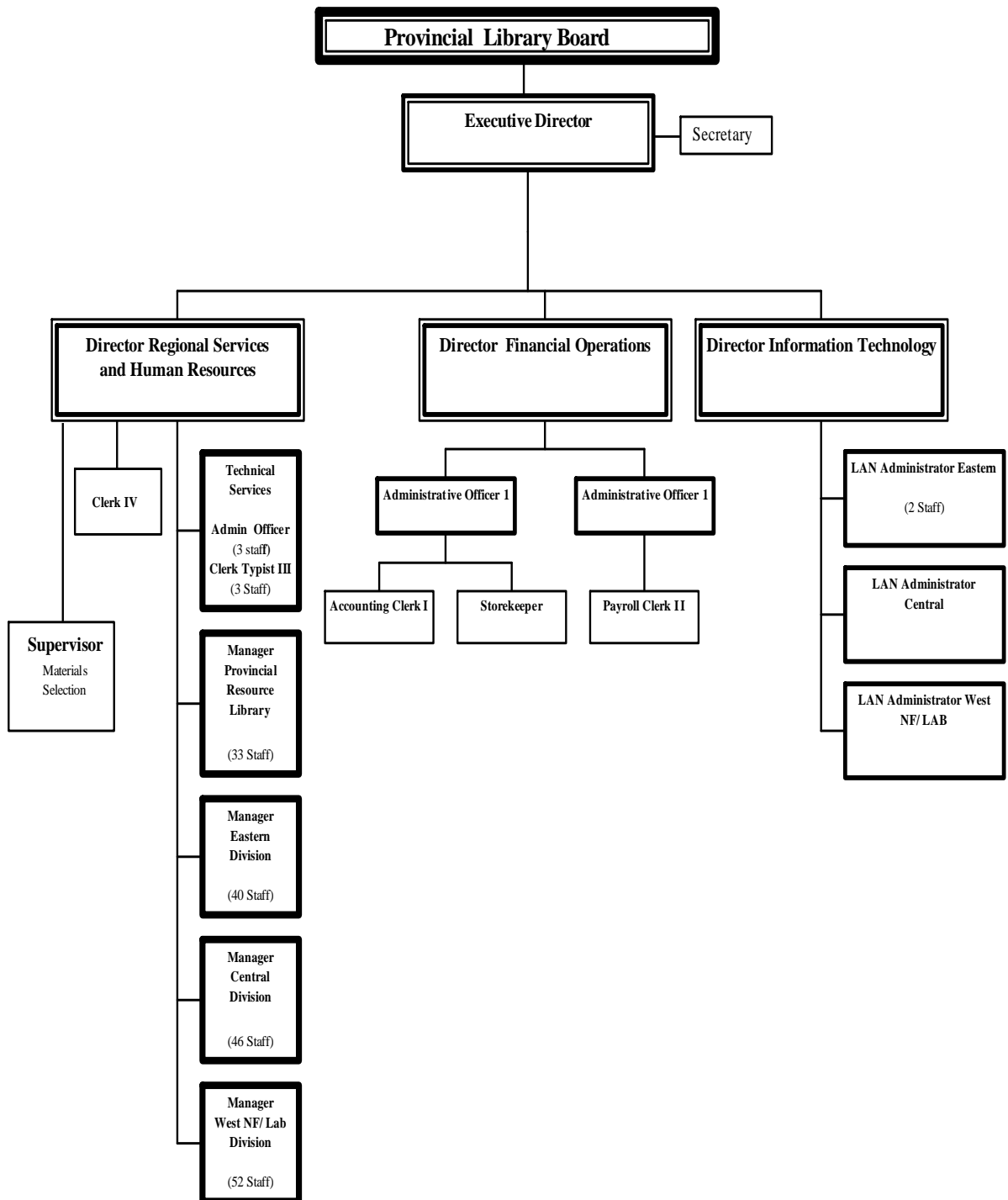
The recognition and measurement of non-financial assets is based on their service potential. These assets will not provide resources to discharge liabilities of the Board. For non-financial assets, the future economic benefit consists of their capacity to render service to further the Board's objectives.

17. Comparative figures

Certain comparative figures have been reclassified to conform to current year's presentation.

Appendix 4
Newfoundland and Labrador
Public Libraries
Staff Organizational Chart

**Provincial Information
and
Library Resources Board**
Staff Organizational Chart



March 31, 2014